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LEGISLATIVE HISTORY

Public Law 678--77th Congress

Chapter 524--2d Session

H. R. 7319

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DIGEST OF PUBLIC LAW 679

FIRST SUPPLEMENTAL NATIONAL DEFENSE APPROPRIATION ACT, 1942. Appropriates \$100,000,000 for Emergency Fund for the President; \$12,000,000 for Board of Economic Warfare; \$26,500,000 for Office of Censorship; \$7,447,075 for Office of Civilian Defense; \$28,638,000 for Office of Coordinator of Inter-American Affairs; \$2,440,000 for Office of Defense Health and Welfare Services; \$7,216,515 for Office of Defense Transportation; \$1,167,000 for War Labor Board; \$72,000,000 for Office of Scientific Research and Development; \$2,114,000 for War Manpower Commission; \$68,546 for War Production Board; \$70,000,000 for War Relocation Authority; \$1,100,000,000 for War Shipping Administration; \$120,000,000 for Office of Price Administration, with prohibition against use of OPA funds for subsidies and provision "That no part of this appropriation shall be used to enforce any maximum price or prices on any agricultural commodity or any commodity processed or manufactured in whole or substantial part from any agricultural commodity unless and until (1) the Secretary of Agriculture has determined and published for such agricultural commodity the prices specified in section 3 (a) of the Emergency Price Control Act of 1942; (2) in case of a comparable price for such agricultural commodity, the Secretary of Agriculture has held public hearings and determined and published such comparable price in the manner prescribed by section 2(b) of said Act and (3) the Secretary of Agriculture has determined after investigation and proclaimed that the maximum price or prices so established on any such agricultural commodity will reflect to the producer of such agricultural commodity a price in conformity with section 3 (c) of said Act: Provided further, That in the case of a maximum price or maximum prices heretofore established the provisions of the foregoing proviso shall not apply until the expiration of 70 days after the date of enactment of this Act"; \$500,000 to complete studies of Board of Investigation and Research, Transportation; \$4,147,476 for national defense activities of Civil Service Commission; \$7,500,000 for Smaller War Plants Corp.; \$475,000 for Office for Agricultural War Relations, including authority to employ experts outside of civil service; \$20,000 for Bureau of Home Economics dehydration investigations; and \$150,000,000 for capital stock of Smaller War Plants Corporation. Prohibits employment, under these appropriations, of persons advocating overthrow of the U. S. Gov. by force and of aliens who have not filed declaration of intention to become citizens, except Filipinos. Limits amounts for printing-binding, purchase of automobiles, and travel, to amounts in justifications of estimates. Requires Civil Service Comm. to investigate employee transfers from one executive agency to another (except to armed forces), to study cause and effect of such transfers. Validates obligations after July 1, 1942, for Interior, State, Justice, and Commerce Depts. Authorizes transfer of CEA funds to other Government agencies if advance Budget Bureau approval is obtained. Continues until June 30, 1944, the availability of \$100,000 of the appropriation for cooperation with American republics.

INDEX AND SUMMARY OF HISTORY ON H. R. 7319

May 12, 1942	Hearings: H. R. 7319, Pt. 2. House.
June 4, 1942	Hearings: H. R. 7319, Pt. 1. House.
June 29, 1942	House Committee on Appropriations reported H. R. 7319. House Report 2295. Print of the bill as reported.
June 30, 1942	H. R. 7319 was debated and passed the House with amendments.
July 1, 1942	H. R. 7319 was referred to the Senate Committee on Appropriations. Print of the bill as referred.
July 2, 1942	Hearings: Senate, H. R. 7319.
July 10, 1942	Senate Committee reported H. R. 7319 with amendments. Senate Report 1542. Print of the bill as reported.
July 13, 1942	Senate began debate on H. R. 7319. Amendments proposed by Senator McKellar. Prints of the amendments.
July 14, 1942	Senate debate continued.
July 15, 1942	Senate debate continued.
July 16, 1942	Senate debate concluded. H. R. 7319 passed with amendments. Senate Conferees appointed. Print of H. R. 7319 with the amendments of the Senate numbered.
July 17, 1942	House Conferees appointed.
July 18, 1942	House received the Conference Report. House Rept. 2354.
July 20, 1942	House agreed to the Conference Report.
July 21, 1942	Senate agreed to the Conference Report.
July 25, 1942	Approved. Public Law 678.



FIRST SUPPLEMENTAL NATIONAL DEFENSE APPROPRIATION BILL, 1943

JUNE 29, 1942.—Committed to the Committee of the Whole House on the state of the Union and ordered to be printed

Mr. CANNON of Missouri, from the Committee on Appropriations, submitted the following

REPORT

[To accompany H. R. 7319]

The Committee on Appropriations submits the following report in explanation of the accompanying bill entitled "A bill making supplemental appropriations for the national defense for the fiscal year ending June 30, 1943, and for other purposes," the first supplemental national defense appropriation bill, 1943.

ESTIMATES AND APPROPRIATIONS

The bill is based upon Budget estimates submitted by the President in House documents of the present session Nos. 721, 732, 736, 740, 741 (in part), 742, 747 (in part), 749, 755, 756 (in part), 757 (in part), 758, 759, 760, 763, 764 (in part), 765, 766, 770, 771, 772, 773, 774, 775, 776, 780, 792, 793, 796, 798, and 801, and two items from Senate Document No. 162, aggregating in all, \$1,916,496,334.47.

The amount recommended to be appropriated is \$1,810,487,615.47, which is a reduction of \$106,008,719 under the Budget estimates.

All of the amount carried by the bill has a direct relation to the war effort with the exception of four items totaling \$88,190, and these items either result from new legislation or are required to meet conditions indirectly ensuing from the war effort.

The total of the war items in the bill falls largely into several major items or groups of items:

War Shipping Administration.....	\$1, 100, 000, 000
Smaller War Plants Corporation (capital stock).....	150, 000, 000
President's emergency fund.....	100, 000, 000
Office of Price Administration.....	75, 000, 000
Office of Scientific Research and Development.....	73, 000, 000
War Relocation Authority.....	70, 000, 000
War Production Board.....	68, 546, 300
Civilian Pilot Training.....	36, 677, 450
Coordinator of Inter-American Affairs.....	28, 638, 000
Office of Censorship.....	26, 500, 000
Board of Economic Warfare.....	13, 818, 000
Federal Bureau of Investigation.....	9, 200, 000
Office of Civilian Defense.....	7, 447, 075
Office of Defense Transportation.....	7, 216, 515
Flight strips.....	5, 000, 000
Miscellaneous national war agencies.....	20, 594, 000
Other national defense items.....	18, 762, 085

NATIONAL WAR AGENCIES

✱ The bill primarily is a measure to provide funds for the operation during the fiscal year 1943 of the national war agencies which have functioned during the current fiscal year from allocations from appropriations for the Office for Emergency Management in the Executive Office of the President or from allocations from the President's emergency fund. These agencies are 18 in number—15 in the Executive Office of the President, 1 in the Department of Agriculture, and 2 in the Department of the Interior. They are as follows:

Under the Executive Office of the President:

Board of Economic Warfare.

Office of Censorship.

Office of Price Administration.

Within the Office for Emergency Management:

Office of Civilian Defense.

Office of Coordinator of American Affairs.

Office of Defense Health and Welfare.

Office of Defense Transportation.

National War Labor Board.

Office of Scientific Research and Development.

War Manpower Commission.

War Production Board.

War Relocation Authority.

War Shipping Administration.

Office of Liaison for Emergency Management.

Division of Central Administrative Services.

Under the Department of the Interior:

Office of Petroleum Coordinator for War.

Office of Solid Fuels Coordination.

Under the Department of Agriculture:

Office of Agricultural War Relations.

None of these agencies is financed after June 30, 1942, which is the end of the current fiscal year. In view of the fact that it is impossible for the bill to be enacted in time to commence the new fiscal year on July 1 a provision is inserted, section 204, making the appropriations in the bill, when enacted, retroactive to the 1st of July so that there may be no hiatus in the functioning of any of the activities. Funds will

be required before July 15 to meet pay-roll requirements and the agencies in the interim will continue in the usual manner in anticipation of the pending appropriations and the ratification provision in section 204.

Budget estimates for the war agencies were submitted to Congress in a series of communications from the President commencing on May 25 and continuing until June 17. Their presentation as individual appropriations rather than as a group of items under a single appropriation subject to executive allocation is the result of the committee's request that the former procedure be followed. The committee has canvassed the needs of each agency as fully as the time has permitted. The ramifications of their activities are numerous and their scope is as broad as the national effort requires to meet world war necessities. Most of the agencies have prime duties in direct connection with the military effort and all of the rest have duties so intimately related that its acceleration and smooth progress is in extensive measure dependent upon their operations.

Each of the agencies has been established after careful consideration as the result of experience gained in national defense and war problems which required a separate organization to meet the particular problem or to coordinate efforts of other agencies in meeting it.

The President as Commander in Chief of the armed forces and as Chief Executive has found them essential to the performance of his duties. He has outlined their duties and responsibilities and prescribed for them adequate authority to enable them to perform the functions which he feels are necessary to the successful conduct of the war. They have broader latitude than is usual in normal agencies in the use of their funds through the appropriations for the Office for Emergency Management and the President's emergency fund. It is proper and necessary that they should. In making appropriations for them in this bill the authority for expenditure is more restricted for the fiscal year 1943 than it was for 1942. It is possible to do this by dealing with each individual agency instead of dealing with them as a group where the widest margin applicable to the most necessitous was likewise applicable to the least.

War is not static. It is constant change and it is entirely probable that as it progresses the functions of some of these agencies may be shifted to other agencies and agencies not now in the picture may need to be organized to meet the changing needs. As these situations arise action must be taken promptly. The requirements of the national war agencies cannot be predicted with the definiteness and precision with which Congress likes to make appropriations and expects them to be administered. Congress does desire them to function promptly and efficiently in the interest of the prosecution of the war. It feels, however, that as they become better organized to meet their duties and reach a more stabilized basis they can eliminate lost motion, probable overlapping at points of contact with each other on particularly common problems, otherwise improve their methods and procedures, and reach a more efficient level. Nearly every one of them is still in the process of recruitment of personnel and enlargement of organization with which to meet the rapidly expanding war program and all of the incidental problems which that brings about.

With the war production program estimated to reach its peak in July of 1943, they should reach their peak early in the new fiscal year and from that point on the load should be more even. The committee desires to call attention to the need in each of the larger organizations of careful examination of all phases of organizational procedure and personnel requirements in order that costs may be constantly held in line and wasteful methods eliminated. When important jobs have to be done in a hurry there is not time to pay attention to those details which more leisurely organization and administration permit. The committee will expect in the course of examination of future Budget estimates for these agencies to find that pressure has been exerted by them in every sound direction to see that funds are utilized in the most effective and economical manner.

The appropriating language for each of the agencies under the Office for Emergency Management follows closely the appropriating authority under which they are functioning during the current fiscal year under the consolidated appropriation for the Office for Emergency Management. Where deviations from that authority are proposed in the bill they are set forth in the customary manner in this report. The committee has placed a general limitation on funds for each of the agencies in the bill with respect to purchase of automobiles, printing and binding, and travel, limiting the amount expendable for such respective purposes to the figure contained therefor in the budget estimate, or in the case of allotments to be made to other agencies, to a figure to be determined by the Director of the Bureau of the Budget.

EMERGENCY FUNDS FOR THE PRESIDENT

The bill carries an item of \$100,000,000 to implement the emergency funds for the President for the fiscal year 1943. Since the beginning of the defense program and during the course of the war an aggregate of \$506,459,000 has been granted the President for general emergency purposes. Of this sum there remains an unallocated balance of approximately \$64,000,000 against which there are pending requests for allocation amounting to \$31,000,000. Assuming the approval of these requests, the free balance on July 1 would approximate \$33,000,000. It is highly important that the President have at his disposal an emergency fund with flexibility of expenditure and adequate in amount to meet the constantly unforeseen emergencies in connection with the war. In the light of the magnitude and far-flung scope of the war, a fund of \$133,000,000 to start the fiscal year is reasonable. A statement is included in the hearings showing the various past appropriations to the emergency funds of the President and the allocations therefrom.

EXECUTIVE OFFICE OF THE PRESIDENT—BOARD OF ECONOMIC WARFARE

The Budget estimate of \$13,818,000 for the Board is approved. The duties of the Board comprise the licensing of exports from the United States to all areas of the world where purchases are made in dollars. Between 6,000 and 7,000 applications a day are received from American exporters which involve integrating the granting of

individual licenses in connection with the export of commodities within the requirements that have been approved by the War Production Board. Duties on the import side consist in programming the development and production of strategic materials we need from abroad. This is accentuated because of the closing off of previous areas of raw materials and a recent order of the War Production Board which practically requires Government purchase of virtually all imported commodities. Actual procurement is carried on by other Government agencies under direction of the Board of Economic Warfare. Economic warfare analysis is another function which has for its purpose the supplying of the Army and Navy with economic information important to the military effort. This function also comprises the whole problem of trading with European neutrals in determining what goods to send to them and what commodities we receive from them, work which is carried on in conjunction with the Department of State.

The amount recommended includes \$6,549,450 for salaries and expenses of the Board, \$1,268,550 for studies to be made by other agencies of the Government in connection with data needed by the Board for performance of its duties, and \$6,000,000 for special projects. The committee has been advised "off the record" with respect to many of the aspects of the Board's work. The special projects are an important phase of its operations. They look to the strengthening of our economy at many points and to repairing damage resulting from the fortunes of this war. These projects comprise the procurement and development of metals and minerals in every friendly country where materials essential to the war effort are to be found; the procurement and development of rubber in South and Central America; the procurement and development of agricultural and other products such as fibers, drugs, and special food items formerly imported from the East Indies; the production of planting material for manila hemp; the increase of planting material for drug crops; the procurement of luffa sponges (normally imported from Japan) for special use of the Navy, merchant marine, and lend-lease; the development of equipment for the extraction of palm kernels and copra; the furnishing of technical advisory service for Canada, Australia, China, India, Africa, and the American republics to assist friendly foreign industrial programs through technical instruction to develop their war production and thereby reduce the drain on our exports and relieve shipping; and the procurement of economic and trade intelligence which is of the greatest importance in the waging of the war. Wherever possible these projects will be conducted through the regular agencies of the Government best equipped with the trained personnel to assist in organizing and directing them and with a view to keeping the cost to as low a figure as possible consistent with obtaining the desired results.

EXECUTIVE OFFICE OF THE PRESIDENT—OFFICE OF CENSORSHIP

The Office of Censorship was established December 19, 1941. Its duties comprise supervision of voluntary effort on the part of newspapers and other publications and radio broadcasters to withhold from circulation certain classes of information of value to the enemy and censorship of communications between the United States and foreign countries by mail, cable, land wire, radiotelegraph and radio-

telephone, and all other means of communication. The Office is concerned solely with war work and has nothing to do with the issuing of governmental news, information, or propaganda. Its function is purely a negative one of restricting the circulation of information that would be useful to the enemy. This is accomplished by the operation of codes of war practice for the press and radio by which publishers and broadcasters voluntarily withhold information of value to the enemy, the examination of international communications such as letters, printed matter, parcel post, cablegrams, and radiograms, and the reporting to various Federal agencies concerned of the information intercepted in the course of these examinations.

The Budget estimate for carrying on the duties in the fiscal year 1943 is \$27,500,000 and the committee recommends an appropriation of \$26,500,000. In making this decrease the committee has no desire to impair or impede the formulation of an organization adequate to perform the highly important duty of keeping international communications from being used in the interest of our enemies. The Office, of necessity, has been forced hurriedly to form an organization and proceed with its operations in the face of many difficulties. It had the advantage in the beginning of the nucleus of cable censorship originated by the Navy and the postal censorship started by the Army.

The force projected by the Budget estimate contemplated a civilian personnel of 16,240 augmented by military and naval personnel (commissioned and enlisted), detailed and paid from military and naval appropriations of 1,650, a total of 17,890. The military and naval personnel is an increase of 90 and the civilian personnel an increase of 5,921 practically all of which is requested in connection with postal activities.

The military and naval personnel on detail entails a salary expense to the War and Navy Departments at the annual rate of \$4,381,000, which, if added to the appropriation of \$26,500,000 in the bill, brings the total for the Office up to \$30,881,000 for the next fiscal year.

The committee feels that the Office will be able to function adequately on the amount allowed. If as the year progresses it develops that even with the increased efficiency of personnel and the exercise of all possible economies through simplification of procedures and organization methods the sum provided will not be sufficient for adequate functioning, consideration can be given to supplementing the present allowance.

The force of 1,650 military and naval personnel gives rise to the query as to the advisability of retaining so many officers and men on a largely civilian function at a time when it is necessary to recruit up our military and naval strength. It is realized that some considerable portion of this group has been taken into the service because of particular qualifications in connection with censorship problems. No doubt some proportion of the military and naval detail can be utilized effectively in the armed forces and satisfactorily replaced in the Censorship Office with civilians and study should be given to this phase of the matter.

EXECUTIVE OFFICE OF THE PRESIDENT—OFFICE OF PRICE ADMINISTRATION

The Emergency Price Control Act of 1942 which became law on January 30, 1942, was enacted after long debate and consideration. The purposes of the law set forth in the broad statement of policy in section 1 (a) are as follows:

It is hereby declared to be in the interest of the national defense and security and necessary to the effective prosecution of the present war, and the purposes of this Act are, to stabilize prices and to prevent speculative, unwarranted, and abnormal increases in prices and rents; to eliminate and prevent profiteering, hoarding, manipulation, speculation, and other disruptive practices resulting from abnormal market conditions or scarcities caused by or contributing to the national emergency; to assure that defense appropriations are not dissipated by excessive prices; to protect persons with relatively fixed and limited incomes, consumers, wage earners, investors, and persons dependent on life insurance, annuities, and pensions, from undue impairment of their standard of living; to prevent hardships to persons engaged in business, to schools, universities, and other institutions, and to the Federal, State, and local governments, which would result from abnormal increases in prices; to assist in securing adequate production of commodities and facilities; to prevent a post emergency collapse of values; to stabilize agricultural prices in the manner provided in section 3; and to permit voluntary cooperation between the Government and producers, processors, and others to accomplish the aforesaid purposes. It shall be the policy of those departments and agencies of the Government dealing with wages (including the Department of Labor and its various bureaus, the War Department, the Navy Department, the War Production Board, the National Labor Relations Board, the National Mediation Board, the National War Labor Board, and others heretofore or hereafter created), within the limits of their authority and jurisdiction, to work toward a stabilization of prices, fair and equitable wages, and cost of production.

There is a continually widening gap between the supply of civilian goods and services which are available and the purchasing power of people who wish to buy them. Income payments to individuals are rising and the supply of purchasable goods for civilian uses are decreasing as the war effort steps up. Individual income at the present rate of acceleration in the United States is estimated by the Office for 1942 at \$117,000,000,000 of which it is believed that \$31,000,000,000 will be saved or paid to Government in taxes leaving \$86,000,000,000 to be expended. During this year it is also estimated that the supply of civilian goods available for purchase will total \$69,000,000,000, leaving \$17,000,000,000 of excess purchasing power for which there will be no purchasable goods or services. This excess, the Office of Price Administration says, if left to itself, would force an estimated increase of 25 percent in the cost of living this year and a raise in the price level of 100 percent.

The general price regulation of April 28 was issued to assist in holding down prices and to assist in averting the price increases which would be so disastrous to the war effort and our national economy.

Other factors than price control, however, enter into the anti-inflation effort and the following excerpt from Price Administrator Henderson's testimony well illustrates them:

The CHAIRMAN. Suppose you are allowed the estimate the Bureau of the Budget gives you here to what extent could you control it?

Mr. HENDERSON. Mr. Chairman, it is not just what would be done by technical administration of price control. What we will be able to do rests on the tax bill, and not only on the amount of it but the nature of it, how much is withdrawn from current spendable income. It depends upon the amount of savings; it depends on the degree to which wages are stabilized; and it depends upon the

course of farm prices, and it depends upon the rate at which the war effort proceeds. And, I stress this last point, because the pressure now is simply terrific, because any number of the manufacturing industries, particularly those that have been created to make war goods, that is, the tank arsenals and the airplane factories and powder factories, are not running at full capacity by reason of shortages of raw materials. All that pressure is constantly on the civilian population.

For instance, yesterday the War Production Board authorized the construction of a pipe line from Texas to Salem, Ill. That calls for 125,000 tons of steel. When I was up here before I was talking about a steel order where we had to cut off 400 types of manufacture from using steel as a raw material, and we saved in that 400 only 1,000,000 tons. This 125,000 has got to come from the share that was available for civilian use.

By that amount the inflationary pressure has been increased, because we are not going to take the 125,000 tons away from tanks or ships or planes; it will have to come out of the civilian hide.

So, to recapitulate I cannot make an estimate of what we can do in this price-control program unless I were able to know what the tax program will be, what the savings program will draw off; what the wage stabilization program will be; what the farm price program will be; what rate of production will be required and whether or not we will be able to take up in other ways to compensate for the price or cost differential.

The CHAIRMAN. Let me put it this way: Taking into consideration all the factors that you have outlined, just what is your objective; what do you expect in the way of holding prices absolutely at the previous level, or if you do not expect to hold them at the previous level, then can you give us, as contrasted with 100 percent increase at what percentage you expect to hold them at say the end of 1943?

Mr. HENDERSON. I think we can keep the cost of living items, down to about 6 to 10 percent, which I believe would be a major achievement.

Broadly speaking the duties of the Administration are found in the fields of price control, rent control, and the rationing functions.

The general price order directly affects 2,200,000 firms, manufacturers, wholesalers, and retailers and covers generally the field of food and food products; textiles, leather, and apparel; fertilizers; industrial materials, including iron and steel; copper, aluminum, and ferrous alloys; zinc, lead, and tin; industrial machinery; chemicals; consumer durable goods; rubber; paper and paper products; automobiles and their parts; lumber and other building materials; and other miscellaneous categories. It readily can be seen that control of prices in this broad field is not only an essential part of the program against inflation and vital to every householder in domestic operations and to every taxpayer in the cost of the war operations. The Administrator has given estimates to the committee indicating that price restriction by the Office of Price Administration under the present law, and prior operations before the enactment of this law, have already saved \$6,000,000,000 in the cost of the war program by preventing increase of prices, and, based upon the prospective war program, will save an additional \$62,000,000,000 over the next 20 months. The bases of these estimates are set forth in the hearings commencing on page 190 of part 2, and result from a comparison of prices for the first 32 months of World War I with the first 32 months of World War II. The cost of living index in large cities dropped one-tenth of 1 percent between May 15 and June 2, 1942. This decline followed 19 consecutive monthly increases commencing with November 1940. This recent decline compared with a seven-tenths percent rise from March 15 to April 15, 1942, and an eight-tenths percent rise from April 15 to May 15.

Rent control has been instituted in some 366 defense-rental areas. These include approximately 89,000,000 people in 772 counties and

constituting an overwhelming majority of the urban and semiurban population of the United States. Rentals in 80 percent of these areas are frozen as of March 1, 1942, while in 64 areas rent increases resulting from war activities were deemed to be exorbitant and reduction to previous levels recommended. The O. P. A. estimates that if the upward trend of rents were permitted to be uncontrolled an increase of at least \$1,000,000,000 in the annual rent bill in the United States might ensue.

Rationing activities so far have been confined to sugar, gasoline, automobiles, tires, and typewriters. Administrator Henderson foresees the need for rationing 15 major groups of items within the next year. It is likely that in the third or fourth quarter of this year the country is faced with heavy demands on some very essential items. Several of these are in two of the basic cost of living groups which means a general rationing program for the entire country. It would be folly to name any specific items which are likely to be rationed. To do so would cause immediate runs on existing stocks and bring about rationing earlier than ordinarily would be necessary.

The organization proposed by the Administrator under the Budget estimate of \$161,000,000 to carry out the functions of his office consisted of the departmental force in the District of Columbia, 9 regional offices, 52 State offices, 230 district offices, 323 defense-rental offices, and 5,200 local boards. The total of proposed personnel consisted of a force of 66,230 on an annual basis as follows:

Departmental.....	8, 158
Field offices (exclusive of employees for local boards).....	23, 072
Total, less local boards.....	31, 230
Employees for local boards.....	35, 000
Total.....	66, 230

The estimated annual cost of this organization on the basis of the Budget estimate for personal services is as follows:

Departmental.....	\$22, 511, 810
Field offices (exclusive of local board employees).....	58, 986, 000
Total, less local boards.....	\$1, 497, 810
Local board employees.....	43, 574, 601
Total annual rate of pay.....	125, 072, 411

The figure of \$125,072,411 is the cost of the entire force if employed for a full year. Allowing for delay in recruitment and turn-over there has been a deduction of \$7,761,364, leaving the net estimated pay-roll cost for permanent personnel during the fiscal year 1943, on the basis of the Budget estimate, of \$117,312,681 to which is added the sum of \$5,846,000 for temporary employees bringing the estimated personnel outlay under the Budget estimate to, \$123,158,681. In addition to salaries the Budget estimate contemplated expenditure for other purposes such as travel, rent of offices, supplies, communications service, printing and binding, equipment, and allocations to other agencies for work to be performed for the Administration, totaling \$37,841,319.

The committee has gone thoroughly into the details of the Budget estimate of \$161,000,000. In addition to the 66,230 paid per annum personnel and 17,666 intermittent or temporary personnel, the Admin-

istrator estimated that some 2,000,000 voluntary workers would be utilized including 27,000 members of local boards. As of June 11 the Administration had a total personnel of regular employees of 17,700, of which 8,800 were paid employees of local boards, 4,400 were in other field offices, and 4,500 in the Washington office.

The amount recommended in the bill is \$75,000,000, which is a reduction of \$86,000,000 in the Budget estimate or an approximate 53-percent cut. The application of the \$75,000,000 to the functioning of the Office of Price Administration is left to the discretion of the Administrator within the terms of the appropriating authority and the Emergency Price Control Act of 1942. The committee has made several minor changes. Authority for the purchase of evidence of violations of the law is eliminated and provision is inserted prohibiting the \$75,000,000 from being supplemented by allocation from other appropriations. Provision is also inserted to the end that the \$75,000,000 shall be so administered as to constitute the entire appropriation for the year, which in effect means that the organization of the O. P. A. shall not be established upon a basis of expenditure that will exceed the \$75,000,000 during the entire fiscal year.

Application of a 53-percent cut on a level basis of salaries and expenses would permit the employment of approximately 31,000 per annum paid workers, 8,000 part-time or intermittent paid employees, and as many voluntary workers as the Administrator is able to recruit and utilize. The committee believes that greater emphasis should be laid upon the employment of voluntary and part-time workers. There are undoubtedly many competent and patriotic persons throughout the United States who will gladly give their services to assist in the administration of this law. An examination of the details of the Budget estimate indicates a liberal basis of distribution of personnel in many directions and the necessary incidental expenses to accompany the employment of the personnel. No attempt has been made by the committee to allocate the reduction to categories of personnel or types of expense. The attitude of the committee with respect to many features of the proposed organization is well set forth in the frequent discussions in the hearings. The committee is in full sympathy with the purposes of the Emergency Price Control Act and its enforcement and believes that adequate administration of the law can be accomplished with an appropriation of \$75,000,000. The American people want the law to be effective and will cooperate toward that end. As taxpayers they are also interested in keeping the cost to the minimum figure. Previous experience upon which to base an organization does not exist. The Price Administrator asked a total of \$210,000,000 from the Bureau of the Budget for enforcement in fiscal 1943. This sum contained approximately \$14,000,000 to reimburse the President's fund for advances leaving a net of \$196,000,000. This was cut by \$35,000,000 in the Executive branch and the President transmitted the request for \$161,000,000. The committee's recommendation is approximately 39 percent of the amount of the original estimate of need.

Comparisons may not be exact but they are illuminating. The War Production Board with the tremendous duties and responsibilities it has to perform will have at its peak employment in the coming fiscal year a total of approximately 24,000 annual employees on a salary basis. The Office of Censorship which has a Nation-wide task of great volume and responsibility will have a total of approximately

18,000 annual employees—civilian and military. The allowance of a regular paid force of approximately 31,000 for the Office of Price Administration will top these by substantial numbers.

The committee heard testimony from representatives of the American Farm Bureau Federation and the National Grange in connection with the administration of the Emergency Price Control Act of 1942. These gentlemen called attention to the provisions of the law with respect to agricultural commodities and to the effect of the administration of the general price regulation placing an over-all ceiling on prices. While certain agricultural commodities are exempted under the order, particularly raw or unprocessed agricultural commodities, these exemptions are not wholly actual in that the prices of distributors and processors of most of the exempt commodities are controlled. In this fashion the price of the exempt commodity is controlled by the ability of the processor and distributor to pay the producer for it. Section 3 (c) of the act is specific with respect to prices for commodities processed or manufactured in whole or substantial part from any agricultural commodity. The committee is of the opinion that the provisions of section 3 of the act should be administered in accordance with the intent of the law both as expressed in its specific terms and as reflected in the reports and debates in Congress during the course of its enactment. The provisions of section 3 are clear and unequivocal and should be followed according to the purposes of Congress in its enactment.

EXECUTIVE OFFICE OF THE PRESIDENT—OFFICE FOR EMERGENCY MANAGEMENT

Office of Civilian Defense.—The Budget estimate of \$7,447,075 for the fiscal year 1943 is approved without change. This amount contemplates a continuance of the organization formulated in the District of Columbia and in the field by Director Landis with the addition of 478 positions in the department and the regional offices. These increases are to be made principally in the protection, mobilization, civil air patrol, and facility security branches of the office.

The committee calls attention to the very interesting and informing statement made by Dean Landis commencing on page 793, part 1, of the hearings. The function of the office in coordinating other Federal activities with the work of civilian defense and of organizing, instructing, and assisting the efforts of citizens and local organizations in the protection of lives and property against damage from war hazards constitutes one of our most important current responsibilities. The national office is cooperating with State councils of defense in each of the 48 States, more than 9,000 local councils, and a volunteer citizen membership approximating 9,000,000 persons.

The work of the Office of Civilian Defense has been thoroughly reorganized and the committee feels that the House will be gratified that the basis for criticism which formerly existed has been removed. The physical fitness program, the youth program, the know-your-Government program, and the offices of inspectors general have all been dropped. Aside from the services divisions, the main divisions of the central office and the regional offices are those dealing with mobilization, protection, facility security, and civil air patrol. The latter activity is approved by the War Department and is rapidly

developing into one of the most effective arms of civilian defense. Forty-eight wings have been established, one in each State. These are in turn broken down into groups and squadrons. The total enrolled membership is now 51,000 including more than 20,000 experienced pilots and 4,500 aircraft. These patrol units are called upon by Army base commanders to perform many special missions such as couriers, reconnaissance and observation, exercise of aircraft warning service, towing targets, observation of black-outs, and forest-patrol. Additional bases are desired by the Army along the coasts and an increasing volume of civilian personnel is needed in connection with manning and operating them.

The work of civilian defense is making progress toward adequately equipped and trained organization. It is to be hoped that our people will be spared the loss of life and devastation of property that war has brought to other nations. Our immediate duty is to press the organization, training, and equipment of the local defense groups so adequately that if we are called upon to meet these emergencies the citizen groups in any community that may be attacked will be prepared in every respect to deal promptly and effectively with every aspect of the disaster. The Federal Government owes them expert guidance, equipment, and assistance of the most experienced type. The Office of Civilian Defense with the funds allowed will be able to round out its field organization and strengthen its central office staff in a manner that will go far toward achieving this responsibility.

Coordinator of Inter-American Affairs.—The committee has approved in full the Budget request of \$28,638,000. This sum consists of \$1,828,500 for salaries of personnel totaling 675, other expenses of \$275,500 for travel, rent, printing, etc., \$3,000,000 for liquidation of a contract authorization for the fiscal year 1942, and \$23,534,000 for special projects in the field of radio, motion pictures, press, science and education, basic economy, and commerce and finance. Each of the projects is listed in a general summary on pages 556 and 557 of part I of the hearings and further described in detail commencing on page 574.

The committee has reviewed in considerable detail with Mr. Rockefeller in executive session the accomplishments of the Coordinator's Office and the program for the next fiscal year as they are related to the war effort.

It is not necessary in this report to explain or stress the obvious desirability of solidarity of the Americas in this critical time. The Axis is a common enemy and our neighbors in the Americas need our friendly advice and assistance and we need theirs. The Coordinator's Office has been and is rendering, in conjunction with the experienced and talented assistance and advice of the Department of State, a distinguished service toward this objective. As evidence of this cooperative effort the committee calls attention to the letter of Secretary of State Hull printed on page 564 of the hearings.

Defense Health and Welfare Services.—The committee recommends the Budget estimate of \$2,440,000, which represents an increase of \$129,000 in salaries and \$67,000 in other obligations, a total increase of \$196,000 over the present annual cost of the organization.

The agency functions as a division of the Office for Emergency Management with Hon. Paul V. McNutt, Federal Security Administrator, as Director, Mr. Charles P. Taft, Assistant Director in charge of

health and welfare, and Mr. M. L. Wilson, Assistant Director in charge of nutrition. Its broad duties under the Executive order of the President are to coordinate the health, education, recreation, welfare, and nutritional activities of the Federal, State, and local governmental and private agencies in order that these services may meet the essential war needs of the population in the towns and cities near military and naval concentrations and near war industrial plants. Need for an agency of this character developed early in the defense effort and the Executive order under which it is functioning was issued in November 1940. Operations are carried out through the regular Federal agencies such as the Public Health Service, Social Security Board, Children's Bureau, and Office of Education, supplemented by advisory committees and the divisions of the Defense Health and Welfare Services. Matters of health, education, recreation, welfare, and nutrition are State and local problems. The Federal Government, however, by the defense program and the war effort in the establishment of new camps, munitions factories, shipbuilding yards, training stations, defense housing, etc., has created problems in the States and local areas which require coordinating effort on the part of the Federal agency and assistance in their prompt solution. Defense Health and Welfare Services has rendered valuable assistance to these communities and to the armed forces and the newly recruited population in the congested defense districts. It has a definite, continuing duty in assisting in meeting these State and local problems engendered by the Federal war effort which will continue as long as the war lasts.

Office of Defense Transportation.—The Office of Defense Transportation was established by Executive order of the President December 18, 1941, for the broad purpose of assuring the maximum utilization of the domestic transportation facilities of the Nation for the successful prosecution of the war. The scope of the functions of the Office is broad comprising railroad, motor, inland waterway, pipe line, air transport, coastwise and intercoastal shipping, and all rubber-borne transportation facilities, including passenger cars, taxicabs, busses, and trucks. No powers of operation and management are conveyed by the order. It is designed to enforce conservation of equipment and facilities, to require their maximum use and prevent congestion, and to enable the carriers to operate more nearly as a unified system than they would in normal times. This jurisdiction extends to interstate and intrastate commerce and includes not only common carriers and contract carriers but privately owned commercial and passenger vehicles. An incidental duty of the Office is the supplemental question of storage. It is required to survey and ascertain present and anticipated storage and warehousing requirements at points of transfer and in terminal areas, and encourage the provision of increased storage, loading, and unloading facilities, where necessary.

The war program is heavily dependent upon the adequacy of domestic transportation as well as upon overseas transportation. In this respect it is the duty of the Office to coordinate and direct domestic traffic movements with the objective of preventing possible points of traffic congestion, and assuring the orderly and expeditious movement of men, matériel, and supplies to points of need, and in cooperation with the United States Maritime Commission and other appropriate agencies, coordinate domestic traffic movements with ocean shipping, in order to avoid terminal congestion at port areas, and to maintain a maximum flow of traffic.

The Director of Defense Transportation, Chairman Eastman of the Interstate Commerce Commission, reports that since the beginning of the emergency in 1939 to the present time the carriers have performed their functions well. There has been no serious congestion yet so far as the railroads or other transportation services are concerned.

The principal duties and responsibilities of the Office of Defense Transportation lie ahead with the complicated problems resulting from the necessity of conserving materials and providing for all of the essential war transportation with as little diminution as possible in the necessary transport for civilian use.

The organization formulated by Mr. Eastman is in process of recruitment. The amount allowed provides for a staff of 1,856 persons in the Department and in the field with salaries of \$4,771,907 and other expenses totaling \$2,444,608, for the total allowed of \$7,216,515.

During World War I the Government took over and operated the railroads at a very considerable attendant financial outlay. The present approach to the coordination and direction of domestic transportation of all forms, particularly in the development that has come since the first war of the motor vehicle as a vital factor in transportation, gives high hope that the domestic transport problem can be handled effectively for prosecution of the war effort and with as little interference as possible with civilian pursuits.

National War Labor Board.—The National War Labor Board is given an appropriation of \$1,167,000 which provides for an operating appropriation of \$867,000 for the Board in its mediating and arbitration activities and \$300,000 for use by the Board for allocation to the Bureau of Labor Statistics, when needed, in obtaining specific data requested by the Board for use in connection with particular cases.

Since its organization on January 12, 1942, the Board has had a total of 209 cases, of which 129 cases are now pending, and 80 have been disposed of. Of the number disposed of, 5 were settled by agreement prior to Board action, 32 were settled by agreement through mediation, 12 were settled by voluntary arbitration, and 31 were settled by decision of the Board. Of the 129 pending cases, 87 are on the mediation docket, 8 on the arbitration docket, 8 awaiting assignment, and 26 on the Board's docket.

On May 30 there were 11 strikes affecting war production involving 8,455 men. The Board is acting promptly to get men back to work and to avoid delays in production. There is printed in the hearings a list of the controversial issues decided by the Board since January 12 showing the parties to controversies, the issues, the decision, and the vote of the Board in each case.

Office of Scientific Research and Development.—The Budget estimate of \$73,000,000 is approved. Duties carried on by this wartime organization consist of research on instruments and weapons of war for the Army and Navy, upon which the National Defense Research Committee advises, and medical research in aid of medical groups of the Army and Navy, upon which the Committee on Medical Research advises. The Army and the Navy are represented on both committees which consist of eminent citizens distinguished for service in their respective fields.

At the present time the Office has 663 contracts with academic institutions involving 94 colleges and universities with a value of \$22,000,000. It also has contracts with industrial and private laboratories involving 110 industrial establishments with a value of \$12,000,000; a total of 1,001 contracts with a value of \$34,000,000. These contracts are all on a no-profit, no-loss basis. Of the 1,001 contracts for research and development, 169 are in the medical field and the remainder involve war weapons and war materials and are in response to requests from the Army and Navy.

Most of the testimony with respect to the activity of necessity was "off the record." The Committee, however, is satisfied with respect to the type and quality of work and with the results being obtained. So far over 100 different articles, formulas, or developments are in use as the result of this research. Testimonials of the effectiveness of the research are set forth in letters from the Secretary of War and Secretary of the Navy printed in the hearings. A short quotation from the letter of the Secretary of War is illustrative. He wrote: "For example, the War Department has placed orders amounting to approximately \$560,000,000 for items developed by one section alone of your Office. Further, as a result of a new production method developed for a new explosive by another section of the National Defense Research Committee, the Army has placed orders for plant and production amounting to about \$270,000,000. It is anticipated that the new process will result in an initial saving of approximately \$100,000,000 in plant construction costs and additional savings of many thousands of dollars a day in operating costs."

The amphibian jeep which is now in production for the War Department is a development of which the Nation can be proud. The nonprofit contract which brought it to the stage of production cost \$143,307.19.

This war is a war of mechanical weapons and one in which those weapons are constantly undergoing improvement with a view to having superior equipment. We face antagonists who are ingenious in devising and manufacturing mechanical weapons and the ammunition to be used by them. Their reputation for research and development is well known and the United States cannot afford to lag in this important aspect of preparation.

Just as important is research in the medical field. Our armies are fighting and will fight in parts of the world to which they are unaccustomed and where health and sanitation conditions are primitive and difficult. The sources of some important medical supplies have been cut off and substitutes must be developed. Strenuous conditions of mechanical warfare are producing effects on the human system which must be met with adequate medical treatment.

The Nation eagerly looks to this research program for the development of much valuable assistance.

Office of War Information.—The President has recently established an Office of War Information within the Office for Emergency Management to take over the functions of the Division of Information, the Office of Facts and Figures, and certain information duties of the Office of the Coordinator of Information. The reorganization of this work will take considerable time and the new head of the agency, Mr. Elmer Davis, has not had sufficient opportunity to formulate his plans and prepare a budget for submission to Congress. The under-

standing which the committee has with the Bureau of the Budget and Mr. Davis is that the Office will function during the formative organizational period on funds allocated by the President and will, in late summer or early fall, present for consideration by Congress a budget for the remainder of the fiscal year. The committee believes that opportunity for economy and more effective organization and functioning of these consolidated activities lie before the new administrator and looks forward to a budget constructed on that basis.

War Manpower Commission.—The committee recommends an appropriation of \$3,114,000 which is a decrease of \$356,719 in the Budget estimate. In making this cut the importance of the functions of the Commission has been taken into consideration.

The Executive order gives to the Chairman of the Commission broad powers designed to assure the most effective mobilization and utilization of the national manpower for the prosecution of the war.

The powers set forth in the order are as follows:

(a) Formulate plans and programs and establish basic national policies to assure the most effective mobilization and maximum utilization of the Nation's manpower in the prosecution of the war; and issue such policy and operating directives as may be necessary thereto.

(b) Estimate the requirements of manpower for industry; review all other estimates of needs for military, agricultural, and civilian manpower; and direct the several departments and agencies of the Government as to the proper allocation of available manpower.

(c) Determine basic policies for, and take such other steps as are necessary to coordinate, the collection and compilation of labor market data by Federal departments and agencies.

(d) Establish policies and prescribe regulations governing all Federal programs relating to the recruitment, vocational training, and placement of workers to meet the needs of industry and agriculture.

(e) Prescribe basic policies governing the filling of the Federal Government's requirements for manpower, excluding those of the military and naval forces, and issue such operating directives as may be necessary thereto.

(f) Formulate legislative programs designed to facilitate the most effective mobilization and utilization of the manpower of the country; and, with the approval of the President, recommend such legislation as may be necessary for this purpose.

In order that the foregoing authority may be given effect the following agencies are required to conform to the policies and directives of the Chairman in the discharge of his responsibilities:

(a) The Selective Service System with respect to the use and classification of manpower needed for critical industrial, agricultural, and governmental employment.

(b) The Federal Security Agency with respect to employment service and defense-training functions.

(c) The Work Projects Administration with respect to placement and training functions.

(d) The United States Civil Service Commission with respect to functions relating to the filling of positions in the Government service.

(e) The Railroad Retirement Board with respect to employment service activities.

(f) The Bureau of Labor Statistics of the Department of Labor.

(g) The Labor Production Division of the War Production Board.

(h) The Civilian Conservation Corps.

(i) The Department of Agriculture with respect to farm-labor statistics, farm-labor camp programs, and other labor-market activities.

(j) The Office of Defense Transportation with respect to labor supply and requirement activities.

Similarly, all other Federal Departments and agencies which perform functions relating to the recruitment or utilization of manpower shall, in discharging such functions, conform to such policies, directives, regulations, and standards as the Chairman may prescribe in the execution of the powers vested in him by this order; and shall be subject to such other coordination by the Chairman as may be necessary to enable the Chairman to discharge the responsibilities placed upon him.

The committee is advised that the Nation faces a critical shortage of manpower in industry, agriculture, and the Government service which will reach a peak in approximately October of this year.

The possibility of 4,500,000 men in the Army by the end of 1942, and 6,000,000 to 7,000,000 men in 1943, the shifting of workers from nonessential industry and the farms to war industry, the many demands for civilian workers in other phases of the war effort, and the provision of adequate farm labor to provide food for our own use and for lend-lease, all require careful management of our manpower resources. The estimated requirements for workers are an additional 11,000,000 in industry and 2,500,000 on the farms at the heaviest peak. Seven to eight million of these can probably be recruited from suspended or converted peacetime industry, 400,000 to 600,000 from the farms, 400,000 from professional ranks, 1,500,000 from the unemployed, and 2,000,000 from the homes—housewives, youths, and retired workers. The problem of training, recruitment, and placement of these workers is one of great magnitude and importance. The creation of a special agency to deal with it promptly and to coordinate all Federal needs with respect to it is a sound approach.

The funds provided are adequate to enable the War Manpower Commission to perform the duties required in manpower mobilization to meet the peak which is estimated to occur during the coming fall. If experience indicates that the work load from that time on continues unabated Congress then can be consulted with respect to additional funds to meet essential needs.

War Production Board.—The Budget estimate submitted for salaries and expenses of the Board is \$73,467,300 which contemplated a total personnel for the fiscal year 1943 in the District of Columbia of 18,672 and 5,155 in the field, or a total of 23,827. This number projected an increase over the estimated June 30 employment of 4,826.

After this Budget estimate had been considered by the committee a Budget estimate was received for salaries and expenses of the Smaller War Plants Corporation which resulted in transferring \$4,921,000 of the above amount from the estimate of the Board to the funds for administrative expenses of the Corporation. The resultant amount after this transfer, \$68,546,300, is the amount recommended in this bill for the Board. The effect of the transfer is not to decrease the amount of personnel and expenses engaged in the function of industry operations; it simply changes this amount from one appropriation to another. This expense is largely in connection with field offices engaged in spreading contracts to smaller industries and utilizing their capacities in the war effort.

The Congress is fully cognizant of the tremendous responsibilities resting upon the organization of the War Production Board and particularly its chairman. Attention is invited to the very illuminating statement made by Mr. Nelson in part 2 of the hearings.

Some idea of the magnitude of the task may be obtained from the total funds available or projected for war purposes. Since June of 1940 and including funds now pending for the fiscal year 1943 and including funds of the Reconstruction Finance Corporation, approximately \$228,000,000,000 has been projected for national defense and war as of this date.

Under this program expenditures are estimated to reach the annual rate of \$70,000,000,000 for war purposes by late fall or winter. This represents nearly \$6,000,000,000 per month and the employment of 60 to 65 percent of the industry of the United States in the war effort at the peak.

The Nation can well be proud of what American industry and labor have accomplished since Pearl Harbor. The conversion of our large industrial plants from peacetime to war work has been nothing short of miraculous.

The present problem centers not about the industrial capacity for manufacturing but about the supplies of necessary materials. The demands are staggering and are complicated by the loss of sources of supply hitherto available and the problem of developing new sources and substitutes. More extensive control over all materials is requisite in order to attain production goals. All nonessential and civilian uses must be further restricted and the conservation and recovery of scrap pursued in many directions.

The Board expects to reach the peak of its organization by October of this year. The present program of the President for production in 1942 and 1943 of 185,000 airplanes, 120,000 tanks, 55,000 anti-aircraft guns, and 18,000,000 tons of shipping will be met.

Chairman Nelson reports full cooperation of labor and industry in the production program. The organization requested by the Budget estimate is large but with 60 to 65 percent of industry employed in war production when fully under way it will readily be visualized that the proper coordination of these industries with the requirements of the war is a signal and a herculean task that is vitally important to the prosecution and winning of the war. Unless the flow of planes, tanks, ships, guns, ammunition, and other supplies is kept attuned in volume and time schedule to the military plans and preparations there follows confusion, delay, and prolongation of the war.

There has been criticism of the Board and there will probably continue to be. Chairman Nelson invites suggestions that will assist him in the performance of his difficult task. No organization with such a huge responsibility and assembled as rapidly as has been necessary in this case could be expected to do the miraculous and not incur some justifiable criticism. Genuine praise is due for the preponderantly fine volume of work that has been accomplished. We have been in the war for only 7 months and have much to be proud of in the record of our industrial accomplishments on the victory program.

War Relocation Authority.—The Budget estimate of \$70,000,000 for salaries and all other expenses is approved. The Authority was established by Executive order of March 18, 1942, directing it to cooperate with the War Department in evacuating, relocating, and providing work opportunity for all persons removed from military areas pursuant to the Executive order of February 19, 1942, which

empowered the Secretary of War or designated military commanders to prescribe military areas and to exclude therefrom any or all persons. The Authority has the duty of caring for alien and citizen Japanese.

According to the 1940 census Japanese aliens and American citizen Japanese in continental United States totaled 126,947. In addition there are approximately 500 in Alaska and in excess of 100,000 in Hawaii. Most of those in continental United States lived in the Pacific Coast and Intermountain States and about 2,500 were in New York.

The War Department late in March requested the Authority to plan for the evacuation and relocation of 130,000 Japanese—men, women, and children. This involves questions of national security and the problem of enabling the evacuees to make a living, protect their health, and continue the education of children. Approximately two-thirds of them are American-born and one-third are aliens. The aliens comprise the first generation and average 58 to 60 years of age. American citizen Japanese average 21 years of age. One-fourth of the evacuees are children under 14 years of age.

Approximately 80,000 are now in temporary assembly centers, 20,000 in the permanent relocation areas, 10,000 to 15,000 have been "frozen" in eastern California outside the previously designated restricted zone preparatory to evacuation, and from 5,000 to 8,000 voluntary evacuees are still in the Intermountain States and many of these will have to be admitted to the relocation centers.

The detention of the population of 130,000 is contemplated in 11 or more relocation areas, 10 of which have been approved by military authorities and are listed in the hearings. These areas will vary in population from 7,000 to 20,000 each.

The Japanese will be engaged in maintenance and operation duties of the areas and in a War Relocation Work Corps which is an instrumentality for mobilizing the skills and ability of the employables in programs of work on the areas. Private employment outside the areas may be permitted under certain conditions. The employment of the Japanese, in addition to maintenance and sustenance work for the areas, will produce public work of value on the area projects, most of which will be on public lands and an effort will be made to make the areas self-sustaining.

The appropriation contains an item of approximately \$10,000,000 for payment of cash advances to some 70,000 Japanese workers. This is based on wages of \$12 per month for common labor, \$16 per month for semiprofessional and skilled labor, and \$19 per month for professional workers and those with management and supervisory skills. The wages are based upon the amounts estimated to be necessary to buy the things for themselves and their families which are not issued free. Food, essential clothing, medical care, and education will be furnished to all evacuees.

The appropriation of \$70,000,000 is not indicative of the annual maintenance cost of operating and maintaining the centers. It is not anticipated that all of the Japanese will be relocated in these areas until late summer or early fall. The initial construction work is being done by the War Department. Much work incidental to placing the areas in final form for occupancy will devolve upon the evacuees. Agriculture will be the principal source of occupation and much of the land in the areas requires subjugation and preparation for use. Do-

mestic industry for maintenance and repair and possibly some for war work will be developed. The finishing of the areas, the preparation of the land, and the development of industries requires a considerable amount of equipment and material. It has been estimated by the Authority that of the \$70,000,000, approximately \$19,250,000 would represent capital outlay, leaving a balance of \$50,750,000 for maintenance and operation or on a per-capita basis of \$417. The estimated cost of operation for the fiscal year 1944 is roughly placed at \$45,000,000.

War Shipping Administration.—The War Shipping Administration is given an appropriation of \$1,100,000,000. The Administration was established February 7, 1942, and assigned the function of controlling the operation, purchase, charter, requisition, and use of all ocean vessels under the flag or control of the United States with the exception of certain combatant vessels, transports, and vessels in the coastwise, intercoastal, and inland transportation under the Office of Defense Transportation. The Administrator controls the allocation of all such vessels under the control of the United States for use by the Army, Navy, and other Government agencies and the governments of the United Nations.

The appropriation allowed provides for acquisition costs, requisition hire and expenses, reconditioning and outfitting, operation, maintenance, repair, insurance, and incidental expenses. During the fiscal year 1943, between 2,200 and 2,600 ships will be operated under service and agency agreements. These vessels will include those owned by the War Shipping Administration, vessels newly built by the Maritime Commission, and vessels acquired by the Administration under the requisition and acquisition provisions of existing law.

The gross amount for ship operations for the fiscal year 1943 is estimated at \$1,685,902,394, which is offset by operating revenues estimated at \$410,200,000 and \$382,710,718 to be defrayed from lend-lease funds for lend-lease cargo, leaving a net amount to be financed from this appropriation of \$892,991,676.

The appropriation also includes the sum of \$177,600,000 for acquisition of vessels, including \$130,600,000 for 670,100 dead-weight tons of newly built Canadian tonnage and \$47,000,000 for the purchase of 50 to 100 other vessels of from 4,000 to 8,000 dead-weight tons each.

The remainder of the appropriation consists of \$20,000,000 for reconditioning and outfitting expenses of ships, \$5,605,311 for other expenses, and \$3,803,013 for administrative expenses in connection with the management of this vast fleet.

This agency has the management of practically the entire American merchant marine and the integration of our capacity and needs with the capacity and needs of the United Nations. The great need for cargo tonnage and the most effective use of the available tonnage constitute one of the important, if not the most important, phase of our war effort at this time.

There should be the closest cooperation between the use of cargo vessels under the control of the War and Navy Departments and vessels under the control of the Administration to the end that every available foot of space is assigned in the most useful manner, every ship employed in its most useful capacity, and every voyage fulfills the greatest measure of transportation possible.

Central Administrative Services.—The Division of Central Administrative Services of the Office for Emergency Management performs for the various war agencies within the Office for Emergency Management and for the Office of Price Administration certain general administrative services in connection with fiscal, accounting, personnel, procurement, and other general services which can be performed more economically and just as effectively and expeditiously through a central agency instead of having each of the agencies set up separate organizations within their structure to perform these services for themselves. The amount of the Budget estimate of \$12,022,000 is reduced to \$9,000,000. This reduction is effected on the basis of the decrease made by the committee in the estimate for the Office of Price Administration of \$66,000,000. Approximately 50 percent of the \$12,022,000 for the Division of Central Administrative Services was based upon work to be performed for the Office of Price Administration. The recruitment of personnel in Central Administrative Services is not up to the schedule allowed by the Budget estimates and in consequence the figure of salary lapses for the fiscal year 1943 is too small. For these reasons the committee has made a decrease of \$3,022,000.

In examining the estimates submitted by the various constituent agencies of the O. E. M. and the Office of Price Administration the committee noted a number of instances of apparent tendency toward duplication of administrative services between these agencies and the Division. Accordingly, language has been inserted in the bill which should bring about closer cooperation and result in more economical and just as efficient performance of these services on a centralized basis. The various operating agencies and the Division should carefully scrutinize their existing organizations to eliminate any present duplication and to avoid any such in the future.

SMALLER WAR PLANTS CORPORATION

Public Law 603 approved June 11, 1942, makes provision for the mobilization of the productive facilities of small business in the interest of successful prosecution of the war. The act places very responsible duties upon the Chairman of the War Production Board and provides for the organization of the Smaller War Plants Corporation with a capital stock of \$150,000,000 through which assistance may be rendered to small business.

The board of directors of the Corporation has not yet been named but considerable preparatory work has been done in connection with the duties imposed upon the Chairman of the War Production Board. The bill makes the necessary appropriation for capital stock by placing that sum at the disposal of the Secretary of the Treasury whose responsibility it is to make payment for the capital stock when called upon by the directors.

The bill also makes provision for administrative expenses of the affairs of the corporation at the appropriate place by placing a limitation of \$7,500,000 upon the amount of funds of the corporation which may be used for that purpose. The hearings of the War Production Board on this bill contain a tentative break-down of the manner in which the funds would be used. Approximately \$5,000,000 of the \$7,500,000 results from the transfer from the War Production

Board budget to the budget of the Corporation representing Board personnel and expenses both in Washington and in the field which, under the 1943 budget of the Board, were estimated for work of the type proposed to be carried on under the auspices of the new corporation.

OFFICE OF PETROLEUM COORDINATOR FOR WAR

The Budget estimate of \$3,365,000 is approved without change. This Office has been in operation for a little more than a year. It is charged with the responsibility of "the development and utilization with the maximum efficiency of our petroleum resources and our facilities, present and future, for making petroleum and petroleum products available, adequately and continuously, in the proper forms, at the proper places, and at reasonable prices, to meet military and civilian needs."

The committee invites attention to the statement of Deputy Coordinator Ralph K. Davies (Secretary Ickes is Coordinator) found on page 459, part I of the hearings. It is one of the most interesting and most satisfactory reports of accomplishment that has come to the committee in connection with the war agencies.

The problem of coordination reaches to the entire petroleum industry in the United States which has a gross investment of nearly \$15,000,000,000 and represents 40 percent of our total mineral production. Petroleum and its products constitute one of the chief instrumentalities of modern warfare. It is highly important to the operation of mechanical weapons—planes, tanks, artillery, and to transport (land and water), and innumerable military and naval purposes as well as to war industry and civilian needs. Without adequate supplies of petroleum for our own expanded needs and those for lend-lease victory is impossible.

One of the many important problems has been to obtain increased production of high-octane gasoline for aviation and other purposes. A year ago 100-octane gasoline production in the United States was 40,000 barrels daily. Prior to Pearl Harbor this need was set at 150,000 barrels daily and has again been revised. Present 100-octane production is substantially 50 percent higher than the maximum which had been thought possible a few months ago. A commendable accompaniment of this increased output has been a notable decrease in price. Contracts for 100-octane are at the lowest price ever paid for it—12 and a fraction cents a gallon for the full supply over the next 5 years compared to previous prices ranging from 14½ to 38 cents. These prices will save the Government \$25,000,000 a year over the terms of the contracts. There has been fine cooperation in the industry in the effort to meet the Nation's war needs. It has required many sacrifices, improvements in technical processes, increasing of facilities, saving critical material by curtailing uses and finding substitutes, and endeavoring in every way possible to increase and improve the product.

The amount allowed provides a staff of 956 for the Department and the field, an increase of 387 at an annual salary rate of \$1,750,000 and increases in other expenditures of approximately \$200,000. Realizing the responsibility upon this industry for supplying adequately and on schedule the gasoline, fuel oils, and lubricants needed

by the 185,000 airplanes, 120,000 tanks, 18,000,000 tons of shipping, and all other requirements of our Army, Navy, lend-lease, and civilian needs, the amount granted to discharge the responsibilities of the Coordinator's Office is modest. Our armed forces so far have received sufficient supplies of petroleum products. They must continue to receive them and the Coordinator's Office should be adequately staffed to insure that they do.

CIVILIAN PILOT TRAINING

The amount recommended for the fiscal year 1943 is \$36,677,450 which is supplemental to the appropriation of \$36,000,000 contained in the regular Department of Commerce Appropriation Act for 1943, making the total availability for the next fiscal year for this purpose, \$72,677,450, for expenditure under the direction of the Office of Administrator of Civil Aeronautics.

This combined amount is responsive to the civilian air training program requested from this agency by the Army and Navy. The Army's part of this program totals \$41,815,700 and provides for 13,350 elemental courses, 9,990 secondary courses, 6,500 cross-country courses, 6,500 instructor courses, and 6,500 instrument courses, a total of 42,840 courses. The Navy's part comprises 20,000 elementary courses, 10,000 secondary courses, 1,500 cross-country courses, 1,200 instructor courses, 150 instrument courses, and 150 flight-officer courses, a total of 33,000 courses, at a cost of \$27,610,525.

The number of courses is not indicative of the number of persons to be trained because most of those taking the elementary courses will be duplicated in the other courses. On the basis of this estimate of 33,350 in the elementary courses and assuming failure of 5 percent, the training would produce 31,680 personnel for the Army and Navy.

Civilian pilot training undertaken heretofore has been of the greatest value to the Army and Navy in connection with this emergency. Approximately 75,000 persons have taken the courses and of these 30,000 are in the air services and 10,000 in the ground arms.

The committee takes particular pride in the fact that in the presentation of the Department of Commerce appropriations making provision for civilian pilot training it has for 2 consecutive fiscal years increased the amount of the Budget estimates and insisted on expansion of this training. The additional funds granted in this bill will provide training that can be carried on with existing facilities and takes advantage, as we should, of every means of increasing and strengthening our air arm in both services.

FEDERAL BUREAU OF INVESTIGATION

The Budget estimate of \$9,200,000 for supplemental salaries and other expenses for the fiscal year 1943 is approved. This amount is in addition to \$29,636,000 for 1943 in the regular appropriation bill and brings the total for the Bureau for the coming fiscal year to \$38,836,000. The allowance increases total personnel from 10,019 to 13,921, or by 3,902, of whom 2,904 are clerical personnel and 998 are agents, making total personnel for fiscal year 1943 for each class of 9,318 clerks and 4,603 agents.

The increase in fingerprinting work will soon reach 2,000,000 fingerprint cards a month. The sources of these are the Army, Navy, persons employed on Government contracts, civil-service applicants, private applicants, and aliens. The present fingerprint file totals 40,000,000. On June 1, the arrearage in handling fingerprints was 2,243,366 and the accumulation of arrearage is at the rate of 23,000 sets a day, 75,000 sets being the daily intake and 52,000 the daily output. The additional force will erase this arrearage and keep the incoming work current.

As of June 1, the Bureau had pending a total of 166,282 cases in the field, of which 66,197 cases were unassigned because of insufficient investigative personnel. A total of 102,307 cases, or 61 percent was delinquent. Each agent is carrying a load of 24 cases when a normal assignment at any one time should not be more than 10. Recent invocation of the May Act, which makes it a Federal offense for any person to practice prostitution in the vicinity of an Army camp, has increased the duties of the Bureau. A total of 114 agents has been assigned to the area surrounding Camp Forrest, Tenn., and at the time of the hearing 100 arrests had been made and examination of those arrested revealed that 52 percent of them were afflicted with venereal disease. Of the 998 additional agents recommended, 250 are in contemplation for use in connection with possible further applications of the May Act.

Other increased duties of the Bureau are found in its espionage, sabotage, selective service, alien enemy, and sedition work. So great has been the pressure of duties and the turn-over in the organization that it has become necessary to add 100 clerks in the department, 30 clerks in the field, and 50 agents, every Monday morning. A class of 50 special agents is graduated from the training school, after a 12 weeks' course, every Saturday. As the war tempo steps up and more men go into the Army, more plants go into war production, more Government employees are recruited, and closer surveillance of aliens and enemies is required, the greater is the pressure upon the staff of the Bureau. The organization is working 3 shifts in the department and much overtime is constantly given by clerks and agents here and in the field.

TERRITORIES AND POSSESSIONS

The committee has eliminated a Budget estimate of \$15,000,000 submitted under the Department of Agriculture to provide a revolving fund to stimulate food production in Puerto Rico. The recommendation is the outgrowth of recommendation of the Anglo-American Caribbean Commission created by the President in February 1942 to study the question of supply in the Caribbean in its relation to the establishment of American bases. This Commission met in May with the supply officers of the British West Indies and Puerto Rico and the Virgin Islands. Puerto Rican economy is largely dependent upon three main crops—sugar, tobacco, and coffee. Merchant shipping shortage has resulted in 500,000 tons of sugar not being moved from the island. Normally Puerto Rico imports approximately 35 percent of the food supply for her 2,000,000 inhabitants. The purpose of the fund is to stimulate the production of food for local consumption by growing other agricultural crops with a view to making

the island more nearly self-sustaining and to relieve the shipping situation in connection with the import of food. The use of the fund contemplated a guaranteed market for food produced on the basis of 85 percent of parity, not on an acreage basis but on an offer to buy and find a market for the foodstuffs. The committee is not unsympathetic with an effort to help the island of Puerto Rico, but feels that this proposal needs more mature consideration than can be given to it in connection with an appropriation bill. The Resident Commissioner from the island and numerous organizations have protested this approach to the problem and further consideration, if legislation is needed, should be considered by the proper legislative committee.

FOREIGN PROPERTY CONTROL

The Budget estimate of \$5,000,000 for continuation of foreign property control under the Secretary of the Treasury is approved for the fiscal year 1943. This sum compares with total appropriations of \$6,250,000 for the current year. The decrease is made possible in part by completion of certain preliminary and initial work in connection with taking over the property and in part by some of the duties now being turned over to the Alien Property Custodian. The task will continue on a broad scale as long as the war lasts. The volume of property frozen and subject to control involves 36 nations and their nationals totaling approximately \$7,500,000,000 and consists of short-term funds (including earmarked gold), securities, direct investments, and funds of blocked nationals resident in the United States.

EXPENSES OF LOANS—WAR BONDS

The amount which may be expended for expenses of loans during the fiscal year 1943 is recommended at the Budget figure, \$45,000,000. This compares with a total for the current fiscal year of \$27,152,726, an apparent increase of \$17,847,274. The increase in the amount of expenses can only be compared on the basis of the volume of securities to be marketed during each of the fiscal years. The appropriation covers expenses of the war-savings program, expenses of currently servicing the new debt, including expenses of the Post Office Department and Federal Reserve banks acting as field offices in public debt matters. The issues include War Savings bonds and stamps, tax savings notes, and regular Treasury issues of bonds, notes, certificates, and bills to finance war expenditures. The expenses defrayed from the appropriation include printing of bonds, issuance, recording, redeeming, shipments, sales expenses, and promotional activities. The \$45,000,000 consists of \$33,000,000 for all expenses of preparation, issuance, and other handling, and \$12,000,000 for sales promotion.

The sales of War bonds for the 13 months from May 1941 to May 1942 totaled \$6,000,000,000. Of this amount the sales from May to November 1941 were about \$2,000,000,000, an average of \$290,000,000 per month, and the sales from December 1941 through May 1942 were \$4,000,000,000, or an average of \$670,000,000 per month.

The appropriation for the fiscal year 1943 is predicated upon sales of \$12,000,000,000 in the fiscal year 1943, an average of \$1,000,000,000 a month and that goal is set to commence in July. The promotion

expenses of \$12,000,000 for \$12,000,000,000 of sales is on the basis of one-tenth of 1 percent. The sales-promotion funds contemplate strengthening the field organization in the various States and the larger cities to assist the organization of 25,000 full-time and 270,000 part-time volunteers.

The importance of this campaign cannot be overemphasized. Government spending in the fiscal year 1943 is estimated at \$73,000,000,000. Considering the taxes to be collected under existing and proposed tax legislation the deficit is likely to approximate \$50,000,000,000. It is also estimated that the expendable individual income available over and above the amount of purchasable goods for civilian use will approximate \$17,000,000,000. Individuals with good incomes during this peak period of employment and wages should invest part of their savings against the inevitable day of war ending and attendant difficulties of readjustment. To assist in financing the war effort, to help combat inflation, and to encourage savings, the Treasury has set this \$12,000,000,000 goal based on getting individuals to invest 10 percent of salaries, wages, or other income in the war bonds. This campaign is on a voluntary-purchase basis and if it succeeds, it can be kept so; if adequate purchases are not made on a voluntary basis there remains only the alternative of income withholding for purchase. The Treasury Department is to be commended for making every possible effort to give the voluntary purchase plan full opportunity for success.

FLIGHT STRIPS

The Defense Highway Act of 1941 authorized the appropriation of \$10,000,000 for flight strips for airplane landing purposes. One-half of this amount was appropriated in the Third Supplemental National Defense Appropriation Act, 1942, approved December 17 last. The other \$5,000,000 is included in this bill.

A program of flight-strip development has been worked out by the Public Roads Administration in cooperation with the Army Air Corps. It is being developed for military use; however, wherever possible sites are being selected to provide for the greatest use after the war by civil aviation.

The program in contemplation includes 49 of such landing facilities of which 28 can be constructed with the \$10,000,000. The first of these has been completed and 15 more are expected to be placed under contract before July 1. The present plan contemplates construction of this number of strips along the coast in connection with aircraft operations against enemy submarines and for use as auxiliary airports, or satellite fields, and emergency landing fields. The cost, including land acquisition, is approximately \$600,000 each and specifications approved by the Air Corps are standardized and call for a minimum of critical materials. No construction of accessory buildings or other facilities are included in the appropriation. Such as are needed by the Army will be furnished by mobile units. All can be completed by fall.

LIMITATIONS AND LEGISLATIVE PROVISIONS

The following limitations and legislative provisions not heretofore enacted in connection with any appropriation bill are recommended:

On page 5, in connection with the Board of Economic Warfare:

Provided, That no other agency of the Government shall perform work or render services for the Board of Economic Warfare, whether or not the performance of such work or services involves the transfer of funds or reimbursement of appropriations, unless authority therefor by the Bureau of the Budget shall have been obtained in advance: Provided further, That not to exceed \$500,000 of this appropriation shall be available to meet emergencies of a confidential character to be expended under the direction of the Executive Director, who shall make a certificate of the amount of such expenditure which he may think it advisable not to specify, and every such certificate shall be deemed a sufficient voucher for the amount therein certified.

On page 9, in connection with Liaison Officer, Office for Emergency Management:

The Liaison Officer is hereby authorized, in connection with the operations of the constituent agencies of the Office for Emergency Management, to consider, ascertain, adjust, determine, and certify claims against the United States in accordance with the Act of December 28, 1922 (31 U. S. C. 215), and to designate certifying officers in accordance with the Act of December 29, 1941 (Public Law 389).

On page 10, in connection with the Division of Central Administrative Services, Office for Emergency Management:

Provided further, That the constituent agencies (except the War Shipping Administration) of the Office for Emergency Management and the Office of Price Administration shall not establish, in the District of Columbia or in the field, fiscal, personnel, procurement, space allocation or procurement, duplicating, distribution, communication, or other general services, wherever the Director of the Bureau of the Budget determines that the Division of Central Administrative Services can render any such service.

On page 11, in connection with Office of Coordinator of Inter-American Affairs:

** * * causing corporations to be created under the laws of the District of Columbia, any State of the United States, or any of the other American republics, to assist in carrying out the Coordinator's program and capitalizing such corporations: Provided, That corporations heretofore or hereafter created or caused to be created by the Coordinator primarily for operation outside the continental United States shall determine and prescribe the manner in which their obligations shall be incurred and their expenses allowed and paid without regard to the provisions of law regulating the expenditure, accounting for and audit of Government funds, and may, in their discretion, employ and fix the compensation of officers and employees outside the continental limits of the United States without regard to the provisions of law applicable to the employment and compensation of officers and employees of the United States: Provided further, That the Coordinator shall transmit to the President immediately upon the close of the fiscal year a complete financial report of the operations of such corporations: Provided further, That not to exceed \$500,000 of this appropriation shall be available to meet emergencies of a confidential character to be expended under the direction of the Coordinator, who shall make a certificate of the amount of such expenditure which he may think it advisable not to specify and every such certificate shall be deemed a sufficient voucher for the amount therein certified.*

On page 13, in connection with the National War Labor Board:

Provided, That funds available to the National War Labor Board for the fiscal year 1942 shall be construed as having been available for the payment of expenses of the Board incurred during said fiscal year in accordance herewith.

On page 14, in connection with Office of Scientific Research and Development:

Notwithstanding the provisions of section 3679 of the Revised Statutes (31 U. S. C. 665), the Office of Scientific Research and Development is authorized, in making contracts for the conduct of investigations or experiments, to agree on behalf of the United States to indemnify the contractor from such funds as may be hereafter appropriated for the purpose, against loss or damage to persons or property arising from such work: Provided further, That advances of funds may be made in connection with contracts entered into by the Office of Scientific Research and Development without

regard to section 3648, Revised Statutes: *Provided further, That funds available to any agency of the Government for scientific or technical research, development, testing, construction of test models, experimental production, or the provision of facilities therefor, shall be available for transfer, in whole or in part, to the Office of Scientific Research and Development, and funds so transferred shall be expendable in the same manner as this appropriation.*

On page 16, in connection with the War Relocation Authority:

Provided, That the provisions of the Act of February 15, 1934 (48 Stat. 351), as amended, relating to disability or death compensation and benefits, shall apply to persons receiving from the United States compensation in the form of subsistence, cash advances, or other allowances in accordance with regulations prescribed by the Director of the War Relocation Authority for work performed in connection with such program, including work performed in the War Relocation Work Corps: Provided further, That this provision shall not apply in any case coming within the purview of the workmen's compensation laws of any State, Territory, or possession, or in which the claimant has received or is entitled to receive similar benefits for injury or death.

On page 17, in connection with the Office for Emergency Management:

(a) *There may be transferred from any of the foregoing appropriations for the constituent agencies sums to other agencies of the Government for the performance by such other agencies of any of the functions or activities for which these appropriations are made: Provided, That no other agency of the Government shall perform work or render services for any of the constituent agencies, whether or not the performance of such work or services involves the transfer of funds or reimbursement of appropriations, unless authority therefor by the Bureau of the Budget shall have been obtained in advance.*

(b) *The head of any of the constituent agencies may delegate to any other official in such agency the authority to make appointments of personnel and to make other administrative determinations necessary for the conduct of the business in such agency.*

(c) *Any employee of any of the constituent agencies is authorized and empowered, when designated for the purpose by the head of such agency, to administer to or take from any person an oath, affirmation, or affidavit, when such instrument is required in connection with the performance of the functions or activities of such agency.*

On page 19, in connection with the War Shipping Administration:

Provided, That when vessels are transferred or assigned permanently by the War Shipping Administrator to other departments or agencies of the United States Government for operation by them, funds for the operation, loading discharging, repairs, and alterations, or other use of such vessels may be transferred from the War Shipping Administration fund to the applicable appropriations of the department or agency concerned in such amounts as may be approved by the Director of the Bureau of the Budget.

On page 21, in connection with the Office of Price Administration:

Provided, That no other agency of the Government shall perform work or render services for the Office of Price Administration, whether or not the performance of such work or services involves the transfer of funds or reimbursement of appropriations, unless authority therefor by the Bureau of the Budget shall have been obtained in advance: Provided further, That such appropriation of \$75,000,000 shall be so administered during the fiscal year 1943 as to constitute the total amount that will be furnished to such Administration during such fiscal year for the purposes set forth in this paragraph and shall not be augmented by allocations or transfers of funds from any other appropriation.

On page 22, in connection with the Office of Price Administration:

: Provided further, That no part of this appropriation shall be used for the compensation of any officer, agent, clerk, or other employee of the United States who shall divulge or make known in any manner whatever to any person the operations, style of work, or apparatus of any manufacturer or producer visited by him in the discharge of his official duties, or the amount or source of income, profits, losses, expenditures, or any particular thereof, set forth or disclosed in any questionnaire, report, return, or document required to be filed by order or regulation of the Administrator or to permit any

questionnaire, report, return, or document or copy thereof or any book containing any abstract or particulars thereof to be seen or examined by any person except as provided by law; nor for any person who shall print or publish in any manner whatever, except as hereinafter provided, any questionnaire, report, return, or document or any part thereof or source of income, profits, losses, expenditures, or methods of doing business, appearing in any questionnaire, report, return, or document: Provided further, That the foregoing provisions shall not be construed to prevent or prohibit the publication or disclosure of studies, graphs, charts, or other documents of like general character wherein individual statistics or the source thereof is not disclosed or identified directly or indirectly.

On page 23, in connection with the Smaller War Plants Corporation:

Provided, That, as determined by the Board, or such officer as may be designated by the Board for the purpose, expenditures (including expenditures for services performed on a force account or contract or fee basis) necessary in acquiring, operating, maintaining, improving, or disposing of real or personal property belonging to the Corporation or in which it has an interest, shall be incurred by the Corporation in accordance with the provisions of said Act, and such expenditures shall not be included within the said limitation of \$7,500,000: Provided further, That funds transferred to the Board or to other agencies of the Government as aforesaid shall be merged with funds appropriated to the Board or other agency, as the case may be, and shall acquire the availability for expenditure of the funds to which transferred: Provided further, That no part of said \$7,500,000 shall be obligated or expended unless and until an appropriate appropriation account shall have been established therefor pursuant to an appropriation warrant or a covering warrant, and all such expenses shall be accounted for and audited in accordance with the Budget and Accounting Act, as amended.

On page 29, in connection with the Bureau of Mines:

Provided, That section 3709, Revised Statutes, shall not apply to any purchase or service rendered under this appropriation when the aggregate amount involved does not exceed \$300: Provided further, That the Secretary of the Interior, through the Director of the Bureau of Mines, is hereby authorized to carry out projects hereunder in cooperation with other departments or agencies of the Federal Government, the District of Columbia, States, Territories, insular possessions, with other organizations or individuals, and with foreign countries and the political subdivisions thereof.

On page 36:

SEC. 203. Wherever appropriations in this Act for any Federal agency are available for printing and binding, traveling expenses, and the purchase of motor-propelled passenger-carrying vehicles, the amounts expended for such purposes, respectively, shall not exceed the sums set forth therefor in the justifications of the budget estimates of appropriations for such agencies submitted to the Committee on Appropriations, House of Representatives, in connection with this Act; and wherever transfers from any such appropriations are made to another Federal agency, other than an agency acting solely in a procurement capacity, the amounts of such transfers expended, respectively, for the foregoing purposes shall not exceed the sums which the Director of the Bureau of the Budget shall approve therefor in connection with each such transfer.

On page 37:

SEC. 204. The appropriations and authority with respect to appropriations contained herein for the fiscal year 1943 shall be available from and including July 1, 1942, for the purposes respectively provided in such appropriations and authority. All obligations incurred during the period between June 30, 1942, and the date of enactment of this Act in anticipation of such appropriations and authority are hereby ratified and confirmed if in accordance with the terms thereof.

FIRST SUPPLEMENTAL NATIONAL DEFENSE APPROPRIATION BILL, FISCAL YEAR 1943

Comparative statement of the amounts requested in the Budget estimates, the amounts recommended in the accompanying bill, and the increase or decrease in the Budget estimates compared with the amounts recommended in the bill

[All items are for the fiscal year 1943 unless otherwise indicated]

House Document No.	Department and item	Estimate	Recommended in bill	Increase (+) or decrease (-)
	TITLE I—GENERAL APPROPRIATIONS			
	LEGISLATIVE			
	HOUSE OF REPRESENTATIVES			
771	Codification of military and naval laws-----	\$250, 000. 00	-----	—\$250, 000. 00
	JUDICIARY			
	DISTRICT COURT, PANAMA CANAL ZONE			
732	Salaries-----	2, 250. 00	\$2, 250. 00	-----
	EXECUTIVE OFFICE OF THE PRESIDENT			
798	Emergency Fund for the President-----	100, 000, 000. 00	100, 000, 000. 00	-----
760	Board of Economic Warfare-----	13, 818, 000. 00	13, 818, 000. 00	-----
736	Office of Censorship-----	27, 500, 000. 00	26, 500, 000. 00	— 1, 000, 000. 00
	Office for Emergency Management:			
792	Office of the Liaison Officer-----	113, 000. 00	113, 000. 00	-----
792	Division of Central Administrative Services-----	12, 022, 000. 00	9, 000, 000. 00	— 3, 022, 000. 00

770	Office of Civilian Defense.....	7, 447, 075. 00	7, 447, 075. 00	-----
773	Office of Coordinator of Inter-American Affairs.....	28, 638, 000. 00	28, 638, 000. 00	-----
740	Office of Defense Health and Welfare Services.....	2, 440, 000. 00	2, 440, 000. 00	-----
774	Office of Defense Transportation.....	7, 216, 515. 00	7, 216, 515. 00	-----
765	National War Labor Board.....	1, 167, 000. 00	1, 167, 000. 00	-----
742	Office of Scientific Research and Development.....	73, 000, 000. 00	73, 000, 000. 00	-----
792	War Manpower Commission.....	3, 470, 719. 00	3, 114, 000. 00	-356, 719. 00
776 801	War Production Board.....	68, 546, 300. 00	68, 546, 300. 00	-----
780	War Relocation Authority.....	70, 000, 000. 00	70, 000, 000. 00	-----
758	War Shipping Administration.....	1, 100, 000, 000. 00	1, 100, 000, 000. 00	-----
	Total, Office for Emergency Management.....	1, 374, 060, 609. 00	1, 370, 681, 890. 00	3, 378, 719. 00
763	Office of Price Administration.....	161, 000, 000. 00	75, 000, 000. 00	-86, 000, 000. 00
	Total, Executive Office of the President.....	1, 676, 378, 609. 00	1, 585, 999, 890. 00	-90, 378, 719. 00
	INDEPENDENT EXECUTIVE AGENCIES			
	CIVIL SERVICE COMMISSION			
755	National defense activities.....	4, 147, 476. 00	4, 147, 476. 00	-----
	FEDERAL COMMUNICATIONS COMMISSION			
749	National defense activities.....	2, 149, 876. 00	2, 149, 876. 00	-----

AGRICULTURAL MARKETING ADMINISTRATION					
775	Emergency supplies for Territories and possessions-----	15, 000, 000. 00	-----	-----	-15, 000, 000. 00
	Total, Department of Agriculture-----	15, 680, 000. 00	-----	475, 000. 00	-15, 205, 000. 00
DEPARTMENT OF COMMERCE					
OFFICE OF ADMINISTRATOR OF CIVIL AERONAUTICS					
796	Establishment of air-navigation facilities-----	1, 218, 375. 00		1, 218, 375. 00	-----
796	Maintenance and operation of air-navigation facilities-----	3, 647, 900. 00		3, 647, 900. 00	-----
796	Technical development-----	50, 400. 00		50, 400. 00	-----
796	Washington National Airport-----	28, 500. 00		28, 500. 00	-----
759	Civilian pilot training-----	36, 677, 450. 00		36, 677, 450. 00	-----
	Total, Department of Commerce-----	41, 622, 625. 00		41, 622, 625. 00	-----
DEPARTMENT OF THE INTERIOR					
766	Office of Petroleum Coordinator for War-----	3, 365, 000. 00		3, 365, 000. 00	-----
766	Office of Solid Fuels Coordination-----	920, 000. 00		920, 000. 00	-----
BUREAU OF MINES					
766	Enforcement of Federal Explosives Act-----	540, 000. 00		540, 000. 00	-----
BUREAU OF RECLAMATION					
793	Facility security program-----	175, 000. 00			-175, 000. 00

¹ Authority to use \$93,160 of the funds of the Administration for administrative expenses.
² Authority to use \$7,500,000 of the funds of the Corporation for salaries and expenses.
³ Authorizing expenditure of \$30,000 from existing appropriation for purchase of land.

Comparative statement of the amounts requested in the Budget estimates, the amounts recommended in the accompanying bill, and the increase or decrease in the Budget estimates compared with the amounts recommended in the bill—Continued

[All items are for the fiscal year 1943 unless otherwise indicated]

House Document No.	Department and item	Estimate	Recommended in bill	Increase (+) or decrease (-)
	TITLE I—GENERAL APPROPRIATIONS—Continued			
	DEPARTMENT OF THE INTERIOR—Continued			
	BUREAU OF INDIAN AFFAIRS			
766	Shoshone Tribe of Indians, Wyoming	(4)		
	Total, Department of the Interior	\$5, 000, 000. 00	\$4, 825, 000. 00	—\$175, 000. 00
	DEPARTMENT OF JUSTICE			
	FEDERAL BUREAU OF INVESTIGATION			
747	Salaries and expenses (emergency)	9, 200, 000. 00	9, 200, 000. 00	
	POST OFFICE DEPARTMENT			
	(Out of the postal revenues)			
	BUREAU OF ACCOUNTS			
757	Salaries	8, 640. 00	8, 640. 00	

DEPARTMENT OF STATE				
FOREIGN INTERCOURSE				
741	Contingent expenses, Foreign Service.....	48,000.00	48,000.00	-----
CONTRIBUTIONS, QUOTAS, ETC.				
741	Inter-American Statistical Institute.....	29,300.00	29,300.00	-----
COOPERATION WITH THE AMERICAN REPUBLICS				
741	Cooperation with the American Republics.....	(⁵)	(⁵)	-----
Total, Department of State.....			77,300.00	-----
TREASURY DEPARTMENT				
OFFICE OF THE SECRETARY				
801	Smaller War Plants Corporation (capital stock).....	150,000,000.00	150,000,000.00	-----
756	Foreign-owned property control.....	5,000,000.00	5,000,000.00	-----
756	Salaries, office of the Secretary.....	134,280.00	134,280.00	-----
DIVISION OF PERSONNEL				
756	Salaries.....	41,460.00	41,460.00	-----
OFFICE OF THE CHIEF CLERK				
756	Salaries.....	54,920.00	54,920.00	-----

⁴ Authority to expend \$18,000 of tribal funds for compensation and expenses of attorneys.

⁵ Continues \$100,000 of the appropriation for 1943 available until June 30, 1944.

Comparative statement of the amounts requested in the Budget estimates, the amounts recommended in the accompanying bill, and the increase or decrease in the Budget estimates compared with the amounts recommended in the bill—Continued

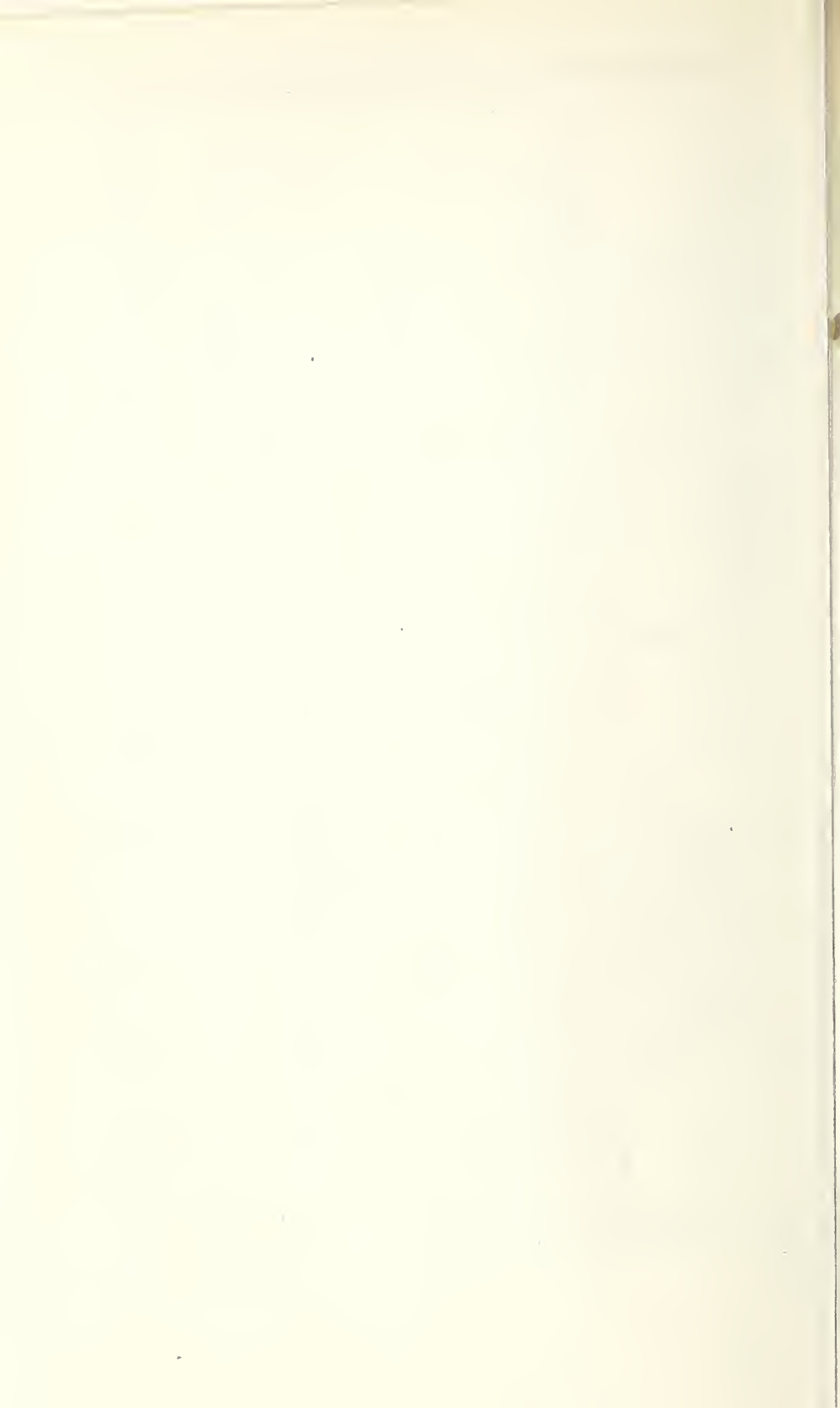
[All items are for the fiscal year 1943 unless otherwise indicated]

House Document No.	Department and item	Estimate	Recommended in bill	Increase (+) or decrease (—)
	TITLE I—GENERAL APPROPRIATIONS—Continued			
	TREASURY DEPARTMENT—Continued			
	CUSTODY OF TREASURY BUILDINGS			
756	Salaries, operating force.....	\$81,360.00	\$81,360.00	-----
	BUREAU OF ACCOUNTS			
756	Salaries and expenses.....	70,000.00	70,000.00	-----
	BUREAU OF THE PUBLIC DEBT			
756	Expenses of loans.....	(⁶)	(⁶)	-----
	BUREAU OF CUSTOMS			
S. Doc. 162	Salaries and expenses.....	1,116,000.00	1,116,000.00	-----
	BUREAU OF INTERNAL REVENUE			
756	Salaries and expenses, collecting the revenue.....	127,740.00	127,740.00	-----

S. Doc. 162	SECRET SERVICE DIVISION		
	Salaries and expenses	350, 500. 00	350, 500. 00
	Total, Treasury Department	156, 976, 260. 00	156, 976, 260. 00
	WAR DEPARTMENT		
	MILITARY ACTIVITIES		
	OFFICE OF THE SECRETARY OF WAR		
721	Payment to Booz, Fry, Allen, and Hamilton	3, 298. 47	3, 298. 47
	Grand total	1, 916, 496, 334. 47	1, 810, 487, 615. 47
			—\$106,008,719.00

* Limitation on expenditures from indefinite appropriation (31 U. S. C. 760, 761) fixed at \$45,000,000.

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Union Calendar No. 823

77TH CONGRESS
2^D SESSION

H. R. 7319

[Report No. 2295]

IN THE HOUSE OF REPRESENTATIVES

JUNE 29, 1942

Mr. CANNON of Missouri, from the Committee on Appropriations, reported the following bill; which was committed to the Committee of the Whole House on the state of the Union and ordered to be printed

A BILL

Making supplemental appropriations for the national defense for the fiscal year ending June 30, 1943, and for other purposes.

- 1 *Be it enacted by the Senate and House of Representa-*
- 2 *tives of the United States of America in Congress assembled,*
- 3 That the following sums are appropriated, out of any money
- 4 in the Treasury not otherwise appropriated, for the national
- 5 defense for the fiscal year ending June 30, 1943, and for
- 6 other purposes, namely:

1 TITLE I—GENERAL APPROPRIATIONS

2 JUDICIARY

3 DISTRICT COURT, PANAMA CANAL ZONE

4 Salaries: For an additional amount for salaries, District
5 Court, Panama Canal Zone, \$2,250.

6 EXECUTIVE OFFICE OF THE PRESIDENT

7 EMERGENCY FUND FOR THE PRESIDENT

8 Emergency fund for the President: To enable the Pres-
9 ident, through appropriate agencies of the Government, to
10 provide for emergencies affecting the national security and
11 defense and for each and every purpose connected there-
12 with, and to make all necessary expenditures incident thereto
13 for any purpose for which the Congress has previously made
14 appropriation or authorization and without regard to the
15 provisions of law regulating the expenditure of Government
16 funds or the employment of persons in the Government
17 service, such as section 3709 of the Revised Statutes and
18 the civil service and classification laws; and any waiver
19 hereunder of the provisions of any law regulating such
20 expenditure or such employment shall not be exercised by
21 any agency unless the allocation to such agency or subse-
22 quent action of the President in connection therewith permits
23 any such waiver to be availed of; \$100,000,000: *Provided,*
24 That in a total amount of not exceeding \$25,000,000

1 and within the purposes provided for in this para-
2 graph, the President may authorize the expenditure of
3 sums from this appropriation for objects of a confidential na-
4 ture and in any such case the certificate of the expending
5 agency as to the amount of the expenditure and that it is
6 deemed inadvisable to specify the nature thereof shall be
7 deemed a sufficient voucher for the sum therein expressed to
8 have been expended: *Provided further*, That the foregoing
9 appropriation and the foregoing limitation upon the amount
10 which may be expended for objects of a confidential nature,
11 are hereby respectively merged with the appropriation and
12 with the limitation for the same purpose under this head in the
13 Third Supplemental National Defense Appropriation Act,
14 1942: *Provided further*, That the President shall transmit
15 to Congress, on or before January 10, 1944, a report of the
16 expenditures from such total appropriation.

17 BOARD OF ECONOMIC WARFARE

18 Salaries and expenses: For all expenses necessary to
19 enable the Board of Economic Warfare to carry out its
20 functions and activities, including salaries of an Executive
21 Director at \$10,000 per annum and four assistants to the
22 Executive Director at \$9,000 per annum; personal services
23 (including aliens) in the District of Columbia and elsewhere;
24 the acceptance and utilization of voluntary and uncompen-

1 sated services; the temporary employment of persons or or-
2 ganizations by contract or otherwise without regard to the
3 civil-service and classification laws or section 3709 of the
4 Revised Statutes; procurement of necessary services, supplies,
5 and equipment without regard to section 3709, Revised Stat-
6 utes, for use (1) outside the continental limits of the United
7 States, including the rental of office space, and (2) within
8 the United States when the aggregate amount involved in
9 any one case does not exceed \$300; traveling expenses, in-
10 cluding (1) expenses of attendance at meetings of organiza-
11 tions concerned with the work of the Board, (2) actual
12 transportation and other necessary expenses, and not to ex-
13 ceed \$10 per diem in lieu of subsistence of persons serving
14 while away from their homes without other compensation
15 from the United States, in an advisory capacity to the Board,
16 (3) payment to the Chairman and the Executive Director
17 of the Board of actual and necessary transportation, sub-
18 sistence, and other expenses incidental to the performance of
19 their duties, and (4) expenses outside the United States
20 without regard to the Standardized Government Travel Reg-
21 ulations and the Subsistence Expense Act of 1926, as
22 amended, or any limitation of law or regulation governing the
23 payment of transportation and subsistence to military or naval
24 personnel, and section 901 of the Act of June 29, 1936 (49

1 Stat. 2015) ; transfer of household goods and effects as pro-
2 vided by the Act of October 10, 1940 (54 Stat. 1105) ;
3 preparation and transportation of the remains of officers and
4 employees who die abroad or in transit, while in the dispatch
5 of their official duties, to their former homes in this country
6 or to a place not more distant for interment, and for the or-
7 dinary expenses of such interment; purchase and exchange of
8 lawbooks and books of reference; the rental of news-report-
9 ing services; the purchase of, or subscription to, commercial
10 and trade reports, newspapers, and periodicals; the purchase
11 or rental of typewriters, adding machines, and other labor-
12 saving devices, and the repair and exchange of same; the
13 purchase, exchange, maintenance, operation, repair, and hire
14 of motor-propelled or horse-drawn passenger-carrying vehi-
15 cles; and printing and binding, \$13,818,000, of which amount
16 such sums as may be authorized by the Director of the
17 Bureau of the Budget may be transferred to other depart-
18 ments or agencies of the Government for the performance by
19 them of any of the functions or activities for which this appro-
20 priation is made: *Provided*, That no other agency of the
21 Government shall perform work or render services for the
22 Board of Economic Warfare, whether or not the performance
23 of such work or services involves the transfer of funds or re-
24 imbursement of appropriations, unless authority therefor by
25 the Bureau of the Budget shall have been obtained in ad-

1 vance: *Provided further*, That not to exceed \$500,000 of
2 this appropriation shall be available to meet emergencies of
3 a confidential character to be expended under the direction of
4 the Executive Director, who shall make a certificate of the
5 amount of such expenditure which he may think it advisable
6 not to specify, and every such certificate shall be deemed a
7 sufficient voucher for the amount therein certified.

8 Payments for articles and materials requisitioned: For
9 the purpose of making payments to the owners thereof for
10 articles and materials requisitioned under authority of the
11 Acts of October 10, 1940 (54 Stat. 1090), and October 16,
12 1941 (Public Law 274), the unexpended balance as of
13 June 30, 1942, of the fund consisting of (1) the allocation
14 of \$200,000 to the Economic Defense Board from the
15 emergency fund for the President by letter of November
16 26, 1941, and (2) the receipts credited to said appropri-
17 ation by the Act of October 10, 1940, and reallocated for
18 the same purpose by said letter of allocation, is hereby
19 continued available to the Board of Economic Warfare for
20 the fiscal year 1943: *Provided*, That receipts of the sales
21 of articles requisitioned by said Board under authority of
22 said Act of October 16, 1941, shall be deposited to the
23 credit of this fund and be immediately available for the
24 purposes thereof.

OFFICE OF CENSORSHIP

Salaries and expenses: For all expenses necessary to enable the Office of Censorship to perform the functions and duties prescribed by the President, including personal services in the District of Columbia and elsewhere; the employment of aliens as examiners or translators; the employment of a Director and a Deputy Director at not exceeding \$10,000 and \$9,000 per annum respectively; the acceptance and utilization of voluntary and uncompensated services; not to exceed \$20,000 for temporary employment, without regard to civil-service and classification laws; expenses of attendance at meetings of organizations concerned with the work of the Office; traveling expenses, including not to exceed \$10 per diem in lieu of subsistence and other expenses of persons serving as advisers while away from their homes without other compensation from the United States; transfer of household goods and effects as provided by the Act of October 10, 1940; printing and binding; hire, maintenance, and repair of automobiles; purchase of guard uniforms, law-books, books of reference, newspapers, periodicals, rubber gloves, aprons, and other items necessary for protection of clothing from chemicals, \$26,500,000: *Provided*, That section 3709 of the Revised Statutes shall not be construed to apply to any purchase made by or service rendered for the

1 Office of Censorship when the aggregate amount involved in
2 such case does not exceed \$100 in the continental United
3 States and \$500 outside the continental limits.

4 OFFICE FOR EMERGENCY MANAGEMENT

5 PAR. 1. For all necessary expenses of the constituent
6 agencies of the Office for Emergency Management in para-
7 graphs 2 to 12, inclusive, in performing their respective
8 functions and activities, without regard to section 3709,
9 Revised Statutes (except as otherwise specified herein),
10 including (in addition to the objects specified respectively
11 under each head) personal services in the District of
12 Columbia and elsewhere; contract stenographic reporting
13 services; lawbooks, books of reference, newspapers and
14 periodicals; printing and binding; procurement of sup-
15 plies and equipment, including typewriters, adding machines
16 and other labor-saving devices and their repair and exchange;
17 purchase and exchange, maintenance, operation, and repair
18 of passenger-carrying automobiles, trucks, station wagons,
19 and motorcycles; transfer of household goods and effects as
20 provided by the Act of October 10, 1940; acceptance and
21 utilization of voluntary and uncompensated services; and
22 traveling expenses, including expenses of attendance at meet-
23 ings of organizations concerned with the work of the agency
24 from whose appropriation such expenses are paid, and actual
25 transportation and other necessary expenses, and not to exceed

1 \$10 (unless otherwise specified) per diem in lieu of sub-
2 sistence, of persons serving while away from their permanent
3 homes or regular places of business in an advisory capacity
4 to or employed by any of such agencies without other com-
5 pensation from the United States, or at \$1 per annum, as
6 follows:

7 PAR. 2. Office of the Liaison Officer: For the Office of
8 the Liaison Officer, \$113,000. The Liaison Officer is hereby
9 authorized, in connection with the operations of the constitu-
10 ent agencies of the Office for Emergency Management, to con-
11 sider, ascertain, adjust, determine, and certify claims against
12 the United States in accordance with the Act of December
13 28, 1922 (31 U. S. C. 215), and to designate certifying
14 officers in accordance with the Act of December 29, 1941
15 (Public Law 389).

16 PAR. 3. Division of Central Administrative Services:
17 For the Division of Central Administrative Services,
18 \$9,000,000: *Provided*, That there may be transferred to this
19 appropriation from appropriations available to the constitu-
20 ent agencies of the Office for Emergency Management and
21 to the Office of Price Administration such amounts as may
22 be necessary for the procurement of supplies, equipment,
23 and services for such agencies and such Administration,
24 and funds so transferred shall be consolidated with and shall

1 be expendable in the same manner as this appropriation:
2 *Provided further*, That the constituent agencies (except the
3 War Shipping Administration) of the Office for Emergency
4 Management and the Office of Price Administration shall not
5 establish, in the District of Columbia or in the field, fiscal,
6 personnel, procurement, space allocation or procurement,
7 duplicating, distribution, communication, or other general
8 services, wherever the Director of the Bureau of the Budget
9 determines that the Division of Central Administrative
10 Services can render any such service.

11 PAR. 4. Office of Civilian Defense: For the Office of
12 Civilian Defense, including salary of the Director at not
13 to exceed \$10,000 per annum, \$7,447,075.

14 PAR. 5. Office of the Coordinator of Inter-American
15 Affairs: For the Office of the Coordinator of Inter-American
16 Affairs, \$28,638,000, including \$3,000,000 for payment of
17 obligations incurred under the contract authorization of
18 \$3,000,000 under the head, Office for Emergency Manage-
19 ment, in the Second Deficiency Appropriation Act, 1941,
20 and the unobligated portion of said contract authorization is
21 hereby continued in effect until June 30, 1943; employment
22 of aliens; entertainment of officials and others of the other
23 American republics; payment of living allowances to em-
24 ployees with official headquarters located abroad in accord-
25 ance with the Act of June 26, 1930 (5 U. S. C. 118a),

1 and regulations promulgated thereunder; grants of money or
2 property to governmental and public or private nonprofit
3 institutions and facilities in the United States and the other
4 American republics; the free distribution, donation, or loan
5 of publications, phonograph records, radio transcriptions, art
6 works, motion-picture films, educational material, and such
7 material and equipment as the Coordinator may deem neces-
8 sary and appropriate to carry out his program; such other
9 gratuitous assistance as the Coordinator deems advisable in the
10 fields of the arts and sciences, education and travel, publica-
11 tions, the radio, the press, and the cinema; paying the ex-
12 penses of transporting employees of the Office of the Coor-
13 dinator and their dependents and their effects from their
14 homes to their places of employment in the other American
15 republics, or from their homes in the other American re-
16 publices to their places of employment, and return or from
17 one official station in the other American republics to another
18 for permanent duty when specifically authorized or approved
19 by the Coordinator under regulations approved by the Presi-
20 dent; causing corporations to be created under the laws of
21 the District of Columbia, any State of the United States, or
22 any of the other American republics, to assist in carrying out
23 the Coordinator's program and capitalizing such corporations:
24 *Provided*, That corporations heretofore or hereafter created
25 or caused to be created by the Coordinator primarily for opera-

1 tion outside the continental United States shall determine
2 and prescribe the manner in which their obligations shall be
3 incurred and their expenses allowed and paid without regard
4 to the provisions of law regulating the expenditure, account-
5 ing for and audit of Government funds, and may, in their
6 discretion, employ and fix the compensation of officers and
7 employees outside the continental limits of the United States
8 without regard to the provisions of law applicable to the
9 employment and compensation of officers and employees of
10 the United States: *Provided further*, That the Coordinator
11 shall transmit to the President immediately upon the close
12 of the fiscal year a complete financial report of the operations
13 of such corporations: *Provided further*, That not to exceed
14 \$500,000 of this appropriation shall be available to meet
15 emergencies of a confidential character to be expended under
16 the direction of the Coordinator, who shall make a certificate
17 of the amount of such expenditure which he may think it
18 advisable not to specify and every such certificate shall be
19 deemed a sufficient voucher for the amount therein certified.

20 PAR. 6. Office of Defense Health and Welfare Services:
21 For the Office of Defense Health and Welfare Services,
22 \$2,440,000, including not to exceed \$10,000 for the employ-
23 ment of aliens: *Provided*, That section 3709 of the Revised
24 Statutes shall not be construed to apply to any purchase made
25 by or service rendered for the Office of Defense Health and

1 Welfare Services when the amount involved does not exceed
2 the sum of \$100.

3 PAR. 7. Office of Defense Transportation: For the Office
4 of Defense Transportation, \$7,216,515.

5 PAR. 8. National War Labor Board: For the National
6 War Labor Board, \$1,167,000, including salaries at not to
7 exceed \$10,000 per annum each for the four public members
8 of the Board; actual transportation and other necessary ex-
9 penses, and not to exceed \$25 per diem in lieu of subsistence
10 (whether or not in a travel status) of members, alternate
11 members and associate members of the Board while serving
12 as such without other compensation from the United States:
13 *Provided*, That funds available to the National War Labor
14 Board for the fiscal year 1942 shall be construed as having
15 been available for the payment of expenses of the Board
16 incurred during said fiscal year in accordance herewith.

17 PAR. 9. Office of Scientific Research and Development:
18 For the Office of Scientific Research and Development,
19 \$73,000,000, including purchase of reports, documents,
20 plans, and specifications: *Provided*, That there may be paid
21 from this appropriation to the National Academy of Sciences
22 a sum not exceeding \$113,790 for the administrative and
23 overhead expenses incurred by said academy during the fiscal
24 year 1943 in carrying out research projects for Federal
25 agencies and such sum shall be in addition to any reimburse-

1 ment otherwise provided for. Notwithstanding the provi-
2 sions of section 3679 of the Revised Statutes (31 U. S. C.
3 665), the Office of Scientific Research and Development is
4 authorized, in making contracts for the conduct of investiga-
5 tions or experiments, to agree on behalf of the United States
6 to indemnify the contractor from such funds as may be here-
7 after appropriated for the purpose, against loss or damage
8 to persons or property arising from such work: *Provided*
9 *further*, That advances of funds may be made in connection
10 with contracts entered into by the Office of Scientific Research
11 and Development without regard to section 3648, Revised
12 Statutes: *Provided further*, That funds available to any
13 agency of the Government for scientific or technical research,
14 development, testing, construction of test models, experi-
15 mental production, or the provision of facilities therefor, shall
16 be available for transfer, in whole or in part, to the Office of
17 Scientific Research and Development, and funds so trans-
18 ferred shall be expendable in the same manner as this
19 appropriation.

20 PAR. 10. War Manpower Commission: For the War
21 Manpower Commission, \$3,114,000, including not to ex-
22 ceed \$10,000 for the employment of aliens: *Provided*,
23 That section 3709 of the Revised Statutes shall not be con-
24 strued to apply to any purchase made by or service rend-

1 ered for the War Manpower Commission when the amount
2 involved does not exceed the sum of \$100.

3 PAR. 11. War Production Board: For the War Pro-
4 duction Board, \$68,546,300, including not to exceed \$50,-
5 000 for the employment of aliens; not to exceed \$50,000
6 for the temporary employment of expert witnesses, by
7 contract or otherwise, without regard to the civil-service
8 or classification laws; and not to exceed \$500,000 for
9 scientific research on materials, material substitutes, and
10 other subjects related to the functions of the Board, with-
11 out regard to section 3648, Revised Statutes: *Provided*,
12 That funds available for expenses of the War Production
13 Board for the fiscal years 1942 and 1943 may be used for
14 the rental, maintenance, and operation of one airplane.

15 PAR. 12. War Relocation Authority: For the War Relo-
16 cation Authority, \$70,000,000, including expenses incident
17 to the extension of the program provided for in Executive
18 order of March 18, 1942, to persons of Japanese ancestry
19 not evacuated from military areas; salary of the Director at
20 not to exceed \$10,000 per annum; the employment of school
21 teachers and not to exceed \$195,000 for the employment of
22 other persons or organizations, by contract or otherwise,
23 without regard to the civil-service and classification laws;
24 employment of aliens; transfer of household goods and ef-

fects as provided by the Act of October 10, 1940, including the travel expenses and the transfer of such goods and effects of employees transferred from other Federal agencies to the Authority at its request; purchase, exchange, maintenance, repair, and operation of motor-propelled passenger-carrying and other vehicles and equipment; not to exceed \$75,000 for payments to States or political subdivisions thereof, or other local public taxing units, of sums in lieu of taxes against real property acquired by the Authority for the purposes hereof, or payments for the performance of governmental services required in connection with the administration of the program; the disposal, by public or private sale, of goods or commodities produced or manufactured in the performance of activities hereunder, the proceeds of which shall be deposited in a special fund and thereafter shall remain available until expended for the purposes hereof: *Provided*, That the provisions of the Act of February 15, 1934 (48 Stat. 351), as amended, relating to disability or death compensation and benefits, shall apply to persons receiving from the United States compensation in the form of subsistence, cash advances, or other allowances in accordance with regulations prescribed by the Director of the War Relocation Authority for work performed in connection with such program, including work performed in the War Relocation Work Corps: *Provided further*, That this

1 provision shall not apply in any case coming within the pur-
2 view of the workmen's compensation laws of any State,
3 Territory, or possession, or in which the claimant has re-
4 ceived or is entitled to receive similar benefits for injury or
5 death.

6 PAR. 13. General provisions: Total, Office for Emer-
7 gency Management, paragraphs 1 to 12, inclusive, \$270,681,-
8 890, to be expended for, or in the administration of the
9 affairs of, the agencies within the Office for Emergency
10 Management, paragraphs 1 to 12, inclusive, hereinafter called
11 the constituent agencies, in accordance with the following
12 provision:

13 (a) There may be transferred from any of the foregoing
14 appropriations for the constituent agencies sums to other
15 agencies of the Government for the performance by such other
16 agencies of any of the functions or activities for which these
17 appropriations are made: *Provided*, That no other agency
18 of the Government shall perform work or render services
19 for any of the constituent agencies, whether or not the per-
20 formance of such work or services involves the transfer of
21 funds or reimbursement of appropriations, unless authority
22 therefor by the Bureau of the Budget shall have been obtained
23 in advance.

24 (b) The head of any of the constituent agencies may
25 delegate to any other official in such agency the authority

1 to make appointments of personnel and to make other
2 administrative determinations necessary for the conduct of
3 the business in such agency.

4 (c) Any employee of any of the constituent agencies
5 is authorized and empowered, when designated for the pur-
6 pose by the head of such agency, to administer to or take
7 from any person an oath, affirmation, or affidavit, when
8 such instrument is required in connection with the perform-
9 ance of the functions or activities of such agency.

10 PAR. 14. War Shipping Administration: To increase the
11 War Shipping Administration fund, \$1,100,000,000, which
12 amount, together with other funds heretofore or hereafter
13 made available to such revolving fund, shall be available for
14 carrying on all the activities and functions of the War Ship-
15 ping Administration, under Executive order of February 7,
16 1942 (7 F. R. 837), and heretofore or hereafter lawfully
17 vested in such Administration by statute or otherwise, in-
18 cluding costs incidental to the acquisition, operation, loading,
19 discharging, and use of vessels transferred for use of any de-
20 partment or agency of the United States, and for all adminis-
21 trative expenses, including the employment and compensation
22 of persons in the District of Columbia and elsewhere, such
23 employment and compensation to be in accordance with laws
24 applicable to the employment and compensation of persons
25 by the United States Maritime Commission except section

1 201 (b) of the Merchant Marine Act, 1936 (49 Stat. 1985) ;
2 expenses of attendance, when specifically authorized by the
3 Administrator, at meetings concerned with the work of the
4 Administration; actual transportation and other necessary
5 expenses and not to exceed \$25 per diem in lieu of subsist-
6 ence of persons serving while away from their permanent
7 homes or regular places of business in an advisory capacity
8 to or employed by the Administration without other com-
9 pensation from the United States or at \$1 per annum;
10 printing and binding; lawbooks, books of reference, peri-
11 odicals and newspapers; contract stenographic reporting
12 services; purchase and exchange, maintenance, repair, and op-
13 eration of passenger-carrying automobiles; transfer of house-
14 hold goods and effects as provided by the Act of October 10,
15 1940; rent, including heat, light, and power, outside the Dis-
16 trict of Columbia; allowances for living quarters, including
17 heat, fuel, and light, as authorized by the Act of June 26,
18 1930; and the employment, on a contract or fee basis, of per-
19 sons, firms, or corporations for the performance of special
20 services, including accounting, legal, actuarial, and statistical
21 services, without regard to section 3709 of the Revised
22 Statutes: *Provided*, That when vessels are transferred or
23 assigned permanently by the War Shipping Admin-
24 istrator to other departments or agencies of the United
25 States Government for operation by them, funds for

1 the operation, loading, discharging, repairs, and al-
2 terations, or other use of such vessels may be trans-
3 ferred from the War Shipping Administration fund to the
4 applicable appropriations of the department or agency con-
5 cerned in such amounts as may be approved by the Director
6 of the Bureau of the Budget.

7 OFFICE OF PRICE ADMINISTRATION

8 Salaries and expenses: For all necessary expenses of the
9 Office of Price Administration in carrying out the provisions
10 of the Emergency Price Control Act of 1942 (Public Law
11 421), and the provisions of the Act of May 31, 1941 (Public
12 Law 89), as amended by the Second War Powers Act, 1942
13 (Public Law 507), and all other powers, duties, and functions
14 which may be lawfully delegated to the Office of Price Ad-
15 ministration, including personal services in the District of
16 Columbia and elsewhere; expenses of in-service training of
17 employees, including salaries and traveling expenses of in-
18 structors; not to exceed \$55,000 for the employment of aliens;
19 not to exceed \$30,000 for the temporary employment of
20 persons or organizations, by contract or otherwise, without
21 regard to section 3709, Revised Statutes, or the civil-service
22 and classification laws; contract stenographic reporting serv-
23 ices; witness fees; purchase of lawbooks, books of reference,
24 newspapers, press clippings, and periodicals; printing and
25 binding; procurement of supplies, equipment, and services,

1 including typewriters, adding machines, and other labor-sav-
2 ing devices and their repair and exchange; maintenance,
3 repair, and operation of passenger-carrying vehicles; transfer
4 of household goods and effects as provided by the Act of
5 October 10, 1940, and traveling expenses, including (1)
6 attendance at meetings of organizations concerned with the
7 work of the Office of Price Administration; (2) actual trans-
8 portation and other necessary expenses and not to exceed \$10
9 per diem in lieu of subsistence of persons serving while away
10 from their homes in an advisory capacity without other com-
11 pensation from the United States, or at \$1 per annum;
12 \$75,000,000, of which amount such sums as may be author-
13 ized by the Director of the Bureau of the Budget may be
14 transferred to other departments or agencies of the Govern-
15 ment for the performance by them of any of the functions
16 or activities for which this appropriation is made: *Provided*,
17 That no other agency of the Government shall perform work
18 or render services for the Office of Price Administration,
19 whether or not the performance of such work or services
20 involves the transfer of funds or reimbursement of appropria-
21 tions, unless authority therefor by the Bureau of the Budget
22 shall have been obtained in advance: *Provided further*, That
23 such appropriation of \$75,000,000 shall be so administered
24 during the fiscal year 1943 as to constitute the total amount
25 that will be furnished to such Administration during such fiscal

1 year for the purposes set forth in this paragraph and shall
2 not be augmented by allocations or transfers of funds from
3 any other appropriation: *Provided further*, That no part of
4 this appropriation shall be used for the compensation of any
5 officer, agent, clerk or other employee of the United States
6 who shall divulge or make known in any manner whatever
7 to any person the operations, style of work, or apparatus of
8 any manufacturer or producer visited by him in the dis-
9 charge of his official duties, or the amount or source of in-
10 come, profits, losses, expenditures, or any particular thereof,
11 set forth or disclosed in any questionnaire, report, return,
12 or document, required to be filed by order or regulation
13 of the Administrator or to permit any questionnaire, report,
14 return, or document or copy thereof or any book contain-
15 ing any abstract or particulars thereof to be seen or
16 examined by any person except as provided by law; nor for
17 any person who shall print or publish in any manner what-
18 ever, except as hereinafter provided, any questionnaire, re-
19 port, return, or document or any part thereof or source of
20 income, profits, losses, expenditures, or methods of doing
21 business, appearing in any questionnaire, report, return, or
22 document: *Provided further*, That the foregoing provisions
23 shall not be construed to prevent or prohibit the publication
24 or disclosure of studies, graphs, charts, or other documents
25 of like general character wherein individual statistics or the

1 source thereof is not disclosed or identified directly or indi-
2 rectly.

3 INDEPENDENT EXECUTIVE AGENCIES

4 CIVIL SERVICE COMMISSION

5 National defense activities: For national defense activi-
6 ties, Civil Service Commission, to be supplemental to the
7 appropriation made for this purpose for the fiscal year
8 1943, and to be available for the same objects, \$4,147,476:
9 *Provided*, That the limitation upon the amount which may
10 be expended for travel expenses under this head for the fiscal
11 year 1943 is hereby increased to \$912,020.

12 FEDERAL COMMUNICATIONS COMMISSION

13 National defense activities: For national defense activi-
14 ties, Federal Communications Commission, to be supple-
15 mental to the appropriation made for this purpose for the
16 fiscal year 1943, and to be available for the same objects,
17 \$2,149,876: *Provided*, That the limitation upon the amount
18 which may be expended for travel expenses under this head
19 for the fiscal year 1943 is hereby increased to \$157,340 and
20 the limitation of thirty-six passenger vehicles is hereby
21 increased to forty-nine.

22 FEDERAL WORKS AGENCY

23 Public Works Administration: For an additional amount
24 for administrative expenses of the Public Works Administra-
25 tion, fiscal year 1943, including the objects specified under

1 this head in the Independent Offices Appropriation Act, 1943,
2 \$93,160, of the funds appropriated by the Public Works
3 Administration Appropriation Act of 1938.

4 Public Roads Administration: For flight strips, to be
5 additional to the appropriation under this head in the Third
6 Supplemental National Defense Appropriation Act, 1942,
7 \$5,000,000.

8 SMALLER WAR PLANTS CORPORATION

9 Smaller War Plants Corporation: Not to exceed \$7,-
10 500,000 of the funds of the Smaller War Plants Corporation
11 acquired in accordance with the Act of June 11, 1942 (Pub-
12 lic Law 603), shall be available during the fiscal year 1943
13 to the Corporation for the payment of the salaries of the
14 directors thereof and for transfer to the War Production
15 Board (hereinafter called the Board) and through the Board
16 to other agencies of the Government, as advances or reim-
17 bursement, for or on account of expenditures of the Board or
18 such other agencies for the Corporation in performing the
19 functions prescribed for the Corporation by said Act: *Pro-*
20 *vided*, That, as determined by the Board, or such officer as
21 may be designated by the Board for the purpose, expendi-
22 tures (including expenditures for services performed on a
23 force account or contract or fee basis) necessary in acquiring,
24 operating, maintaining, improving, or disposing of real or
25 personal property belonging to the Corporation or in which

1 it has an interest, shall be incurred by the Corporation in
2 accordance with the provisions of said Act, and such expendi-
3 tures shall not be included within the said limitation of
4 \$7,500,000: *Provided further*, That funds transferred to the
5 Board or to other agencies of the Government as aforesaid
6 shall be merged with funds appropriated to the Board or
7 other agency, as the case may be, and shall acquire the avail-
8 ability for expenditure of the funds to which transferred:
9 *Provided further*, That no part of said \$7,500,000 shall be
10 obligated or expended unless and until an appropriate ap-
11 propriation account shall have been established therefor pur-
12 suant to an appropriation warrant or a covering warrant, and
13 all such expenses shall be accounted for and audited in ac-
14 cordance with the Budget and Accounting Act, as amended.

15 DEPARTMENT OF AGRICULTURE

16 OFFICE OF THE SECRETARY

17 Office for Agricultural War Relations: For all expenses
18 necessary to enable the Secretary of Agriculture to discharge
19 the functions of the Office for Agricultural War Relations,
20 including personal services in the District of Columbia and
21 elsewhere; the employment of experts without regard to civil-
22 service and classification laws; the purchase of books of refer-
23 ence, periodicals, and newspapers; printing and binding; and
24 the maintenance, repair, and operation of one motor-propelled

1 passenger-carrying vehicle for official purposes in the District
2 of Columbia, \$475,000.

3 DEPARTMENT OF COMMERCE

4 OFFICE OF ADMINISTRATOR OF CIVIL AERONAUTICS

5 Establishment of air-navigation facilities: For an
6 additional amount for establishment of air-navigation facil-
7 ities, to be supplemental to the appropriation made for this
8 purpose for the fiscal year 1943 and to be available for the
9 same objects, \$1,218,375.

10 Maintenance and operation of air-navigation facilities:
11 For an additional amount for maintenance and operation of
12 air-navigation facilities, to be supplemental to the appropria-
13 tion made for this purpose for the fiscal year 1943 and to
14 be available for the same objects, \$3,647,900.

15 Technical development: For an additional amount for
16 technical development, to be supplemental to the appropria-
17 tion made for this purpose for the fiscal year 1943 and to
18 be available for the same objects, \$50,400: *Provided*, That
19 not to exceed \$320 shall be available for the purchase,
20 cleaning, and repair of uniforms for guards.

21 Washington National Airport: For an additional amount
22 for maintenance and operation, Washington National Air-
23 port, to be supplemental to the appropriation made for this
24 purpose for the fiscal year 1943 and to be available for the
25 same objects, \$28,500: *Provided*, That the limitation on the

1 amount which may be expended for the purchase, cleaning,
2 and repair of uniforms for the guards is hereby increased
3 from \$750 to \$1,570.

4 The appropriation of \$2,700,000 for construction of
5 hangars, and so forth, at the Washington National Airport,
6 contained in the First Supplemental Civil Functions Approp-
7 priation Act, 1941, approved October 9, 1940 (Public Law
8 812), is continued available until June 30, 1943.

9 Civilian pilot training: For an additional amount for
10 civilian pilot training, fiscal year 1943, including the objects
11 specified under this head in the Department of Commerce
12 Appropriation Act, 1943, \$36,677,450, and the limitation
13 on the amount which may be transferred to the appropriation
14 "Enforcement of safety regulations, Office of Administrator of
15 Civil Aeronautics", is hereby increased from \$402,000 to
16 \$441,000.

17 DEPARTMENT OF THE INTERIOR

18 OFFICE OF PETROLEUM COORDINATOR FOR WAR

19 For all necessary expenses of the Office of Petroleum
20 Coordinator for War in performing its functions as pre-
21 scribed by the President (Fed. Reg., June 7, 1941), in-
22 cluding personal services in the District of Columbia; not
23 to exceed \$500,000 for personal services without regard
24 to the civil service and classification laws; printing and
25 binding; traveling expenses, including attendance at meet-

1 ings of organizations concerned with the purposes of this
2 appropriation, and actual transportation and other neces-
3 sary expenses and not to exceed \$10 per diem in lieu of
4 subsistence of persons serving in an advisory capacity to the
5 Coordinator while away from their homes without other com-
6 pensation from the United States, or at \$1 per annum;
7 contract stenographic reporting services; books of refer-
8 ence, newspapers, and periodicals; office supplies; furniture
9 and equipment, including exchange and repair thereof;
10 purchase, exchange, maintenance, repair, and operation of
11 passenger-carrying automobiles; other miscellaneous serv-
12 ices; and transfer of household goods and effects as pro-
13 vided by the Act of October 10, 1940, \$3,365,000: *Pro-*
14 *vided*, That section 3709, Revised Statutes, shall not
15 apply to any purchase or service rendered under this ap-
16 propriation when the aggregate amount involved does not
17 exceed \$300.

18 OFFICE OF SOLID FUELS COORDINATION

19 For all expenses necessary to enable the Secretary of the
20 Interior through such agencies within the Department of the
21 Interior as he may designate to perform the functions with
22 respect to Solid Fuels Coordination as prescribed by the
23 President (Fed. Reg., March 10, 1942), including the
24 employment without regard to civil-service and classification
25 laws of an assistant at not to exceed \$10,000 per annum and

1 not to exceed eight technical employees; other personal
2 services in the District of Columbia; printing and binding;
3 traveling expenses, including attendance at meetings of organ-
4 izations concerned with the purposes of this appropriation,
5 and actual transportation and other necessary expenses and
6 not to exceed \$10 per diem in lieu of subsistence of persons
7 serving, while away from their homes, in an advisory capacity
8 without other compensation from the United States, or at \$1
9 per annum; contract stenographic reporting services; books
10 of reference, periodicals and newspapers; office supplies; fur-
11 niture and equipment, including exchange and repair thereof;
12 purchase, exchange, maintenance, repair, and operation of
13 passenger-carrying automobiles; other miscellaneous services;
14 and the acceptance and utilization of voluntary and uncom-
15 pensated services; \$920,000: *Provided*, That section 3709,
16 Revised Statutes, shall not apply to any purchase or service
17 rendered under this appropriation when the aggregate amount
18 involved does not exceed \$300.

19 BUREAU OF MINES

20 Enforcement of Federal Explosives Act: For all neces-
21 sary expenses of the Bureau of Mines in performing the duties
22 imposed upon it by the Federal Explosives Act, including
23 not to exceed \$110,000 for personal services in the District
24 of Columbia; books of reference, periodicals, and newspapers;
25 not to exceed \$11,250 for printing and binding; contract

1 stenographic reporting services; supplies and equipment;
2 traveling expenses, including attendance at meetings of or-
3 ganizations concerned with the purposes of this appropriation;
4 maintenance, repair, and operation of passenger-carrying
5 automobiles; purchase of special wearing apparel or equip-
6 ment for the protection of employees while engaged in their
7 work; purchase in the District of Columbia and elsewhere
8 of other items otherwise properly chargeable to the appro-
9 priation "Contingent expenses, Department of the Interior";
10 \$540,000: *Provided*, That section 3709, Revised Statutes,
11 shall not apply to any purchase or service rendered under this
12 appropriation when the aggregate amount involved does not
13 exceed \$300: *Provided further*, That the Secretary of the
14 Interior, through the Director of the Bureau of Mines, is
15 hereby authorized to carry out projects hereunder in coopera-
16 tion with other departments or agencies of the Federal Gov-
17 ernment, the District of Columbia, States, Territories, insular
18 possessions, with other organizations or individuals, and with
19 foreign countries and the political subdivisions thereof.

20 DEPARTMENT OF JUSTICE

21 FEDERAL BUREAU OF INVESTIGATION

22 Salaries and expenses, detection and prosecution of crimes
23 (emergency) : For an additional amount for salaries and ex-
24 penses, during the national emergency, in the detection and

1 prosecution of crimes against the United States, to be supple-
2 mental to the appropriation made for this purpose for the
3 fiscal year 1943 and to be available for the same objects,
4 \$9,200,000, of which amount there may be expended not to
5 exceed \$375,000 for the purchase and exchange of motor-
6 propelled passenger-carrying vehicles; not to exceed \$50,000
7 to meet unforeseen emergencies of a confidential character,
8 to be expended under the direction of the Attorney General,
9 who shall make a certificate of the amount of such expendi-
10 ture as he may think it advisable not to specify, and every
11 such certificate shall be deemed a sufficient voucher for the
12 sum therein expressed to have been expended; and not to
13 exceed \$2,810,000 for personal services in the District of
14 Columbia.

15 POST OFFICE DEPARTMENT

16 OUT OF THE POSTAL REVENUES

17 OFFICE OF THE CHIEF INSPECTOR

18 The paragraph under the head "Clerks, Division Head-
19 quarters", appearing in the Post Office Department Appro-
20 priation Act, 1943, is amended to read as follows:

21 "Clerks, division headquarters: For compensation of
22 three hundred and thirty-two clerks at division headquarters
23 and other posts of duty of post-office inspectors, \$780,370."

1 Salaries: For an additional amount for salaries, Bureau
2 of Accounts, \$8,640.

3 DEPARTMENT OF STATE

4 FOREIGN INTERCOURSE

5 Contingent expenses, Foreign Service: For an additional
6 amount for contingent expenses, Foreign Service, including
7 the objects specified under this head in the Department of
8 State Appropriation Act, 1943; and including also the ex-
9 penses of the dispatch agency at Miami, Florida; the purchase
10 of not to exceed twenty passenger-carrying automobiles,
11 thirteen of which shall not exceed a cost of \$2,000 each; and
12 the purchase, rental, repair, and operation of microfilm
13 equipment; \$48,000.

14 CONTRIBUTIONS, QUOTAS, AND SO FORTH

15 For an additional amount for United States contri-
16 butions to international commissions, congresses, and bureaus,
17 to enable the United States to become an adhering member
18 of the Inter-American Statistical Institute and to pay its
19 quota contribution as authorized in Public Law 417, ap-
20 proved January 27, 1942, \$29,300.

21 COOPERATION WITH THE AMERICAN REPUBLICS

22 Cooperation with the American republics: Not to exceed
23 \$100,000 of the appropriation "Cooperation with the Amer-
24 ican republics", contained in the Department of State Ap-

1 appropriation Act for 1943, shall be available until June 30,
2 1944.

3 TREASURY DEPARTMENT

4 OFFICE OF THE SECRETARY

5 Smaller War Plants Corporation, capital stock: To enable
6 the Secretary of the Treasury to make payments for capital
7 stock of the Smaller War Plants Corporation in accordance
8 with the provisions of section 4 (b) of the Act of June 11,
9 1942 (Public Law 603), \$150,000,000, to remain available
10 until July 1, 1945.

11 Foreign-owned property control: For all expenses neces-
12 sary in carrying out the functions of the Secretary of the
13 Treasury under sections 3 and 5 (b) of the Act of October 6,
14 1917, as amended (50 U. S. C., App. 3), section 301 of the
15 First War Powers Act, 1941, and any proclamations, orders,
16 regulations, or instructions issued thereunder, including
17 personal services (without regard to classification laws),
18 printing, and reimbursement of any other appropriation
19 or other funds of the United States or any agency, instru-
20 mentality, Territory, or possession thereof, including the
21 Philippine Islands, and reimbursement of any Federal
22 Reserve bank for printing and other expenditures,
23 \$5,000,000.

24 Salaries: For an additional amount for salaries, Office
25 of the Secretary of the Treasury, fiscal year 1943, including

1 the objects specified under this head in the Treasury Depart-
2 ment Appropriation Act, 1943, \$134,280.

3 DIVISION OF PERSONNEL

4 Salaries: For an additional amount for salaries, Division
5 of Personnel, \$41,460.

6 OFFICE OF THE CHIEF CLERK

7 Salaries: For an additional amount for salaries, office
8 of the Chief Clerk, \$54,920.

9 CUSTODY OF TREASURY BUILDINGS

10 Salaries, operating force: For an additional amount for
11 salaries of operating force, \$81,360.

12 BUREAU OF ACCOUNTS

13 Salaries and expenses: For an additional amount for
14 salaries and expenses, Bureau of Accounts, fiscal year 1943,
15 including the objects specified under this head in the Treasury
16 Department Appropriation Act, 1943, \$70,000.

17 BUREAU OF THE PUBLIC DEBT

18 Expenses of loans: The indefinite appropriation "Ex-
19 penses of loans, Act of September 24, 1917, as amended and
20 extended" (31 U. S. C. 760, 761), shall not be used during
21 the fiscal year 1943 to supplement the appropriations other-
22 wise provided for the current work of the Bureau of the
23 Public Debt, and the amount obligated under such indefinite
24 appropriation during such fiscal year shall not exceed \$45,-
25 000,000 to be expended as the Secretary of the Treasury may

1 direct: *Provided*, That the proviso in the Act of June 16,
 2 1921 (31 U. S. C. 761), limiting the availability of this
 3 appropriation for expenses of operations on account of any
 4 public debt issue to the close of the fiscal year next following
 5 the fiscal year in which such issue was made, shall not apply
 6 to savings bond transactions handled by the Federal Reserve
 7 banks for account of the Secretary of the Treasury.

8 BUREAU OF CUSTOMS

9 Salaries and expenses: For an additional amount for
 10 collecting the revenue from customs, fiscal year 1943, includ-
 11 ing the objects specified under this head in the Treasury
 12 Department Appropriation Act, 1943, \$1,116,000.

13 BUREAU OF INTERNAL REVENUE

14 Salaries and expenses, collecting the internal revenue:
 15 For an additional amount for salaries and expenses, Bureau
 16 of Internal Revenue, fiscal year 1943, including the objects
 17 specified under this head in the Treasury Department Appro-
 18 priation Act, 1943, \$127,740; and the limitation contained
 19 in such Act on the amount which may be expended for
 20 personal services in the District of Columbia is hereby
 21 increased from \$10,834,002 to \$10,961,742.

22 SECRET SERVICE DIVISION

23 Salaries and expenses: For an additional amount for
 24 suppressing counterfeiting and other crimes, fiscal year 1943,
 25 including the objects specified under this head in the Treas-

1 ury Department Appropriation Act, 1943, \$350,500, and
2 the limitation under said head on the number of motor-
3 propelled, passenger-carrying vehicles which may be pur-
4 chased is hereby increased from thirty-five to fifty-five.

5 WAR DEPARTMENT

6 MILITARY ACTIVITIES

7 OFFICE OF SECRETARY OF WAR

8 For payment to Booz, Fry, Allen and Hamilton, 135
9 South La Salle Street, Chicago, Illinois, for services rendered
10 the War Department in making a survey of the executive
11 offices of the War Department, \$3,298.47, which payment
12 shall be in addition to the amount paid under Contract
13 Numbered WSW 438, dated October 18, 1941, and author-
14 ized under the heading "Salaries, War Department" in the
15 Fifth Supplemental National Defense Appropriation Act,
16 1941.

17 TITLE II—GENERAL PROVISIONS

18 SEC. 201. No part of any appropriation contained in this
19 Act shall be used to pay the salary or wages of any person
20 who advocates, or who is a member of an organization that
21 advocates, the overthrow of the Government of the United
22 States by force or violence: *Provided*, That for the purposes
23 hereof an affidavit shall be considered prima facie evidence
24 that the person making the affidavit does not advocate, and
25 is not a member of an organization that advocates, the over-

1 throw of the Government of the United States by force or
2 violence: *Provided further*, That any person who advocates,
3 or who is a member of an organization that advocates, the
4 overthrow of the Government of the United States by force
5 or violence and accepts employment the salary or wages for
6 which are paid from any appropriation in this Act shall be
7 guilty of a felony and, upon conviction, shall be fined not
8 more than \$1,000 or imprisoned for not more than one year,
9 or both: *Provided further*, That the above penalty clause
10 shall be in addition to, and not in substitution for, any other
11 provisions of existing law.

12 SEC. 202. No part of any appropriation contained in
13 this Act or authorized hereby to be expended (except as
14 otherwise provided for herein) shall be used to pay the
15 compensation of any officer or employee of the Govern-
16 ment of the United States, whose post of duty is in con-
17 tinental United States unless such person is a citizen of
18 the United States, or a person in the service of the
19 United States on the date of the approval of this Act who
20 being eligible for citizenship had theretofore filed a decla-
21 ration of intention to become a citizen or who owes
22 allegiance to the United States. This section shall not
23 apply to citizens of the Commonwealth of the Philippines.

24 SEC. 203. Wherever appropriations in this Act for any
25 Federal agency are available for printing and binding, travel-

1 ing expenses, and the purchase of motor-propelled passenger-
2 carrying vehicles, the amounts expended for such purposes,
3 respectively, shall not exceed the sums set forth therefor in
4 the justifications of the Budget estimates of appropriations
5 for such agencies submitted to the Committee on Appropri-
6 ations, House of Representatives, in connection with this
7 Act; and wherever transfers from any such appropriation
8 are made to another Federal agency, other than an agency
9 acting solely in a procurement capacity, the amounts of such
10 transfers expended, respectively, for the foregoing purposes
11 shall not exceed the sums which the Director of the Bureau
12 of the Budget shall approve therefor in connection with each
13 such transfer.

14 SEC. 204. The appropriations and authority with respect
15 to appropriations contained herein for the fiscal year 1943
16 shall be available from and including July 1, 1942, for the
17 purposes respectively provided in such appropriations and
18 authority. All obligations incurred during the period be-
19 tween June 30, 1942, and the date of enactment of this Act
20 in anticipation of such appropriations and authority are
21 hereby ratified and confirmed if in accordance with the terms
22 thereof.

23 SEC. 205. This Act may be cited as the "First Supple-
24 mental National Defense Appropriation Act, 1943".

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Union Calendar No. 823

77TH CONGRESS
2^D Session

H. R. 7319

[Report No. 2295]

A BILL

Making supplemental appropriations for the national defense for the fiscal year ending June 30, 1943, and for other purposes.

By **Mr. CANNON** of Missouri

JUNE 29, 1942

Committed to the Committee of the Whole House on the state of the Union and ordered to be printed

Mr. HARE. The original proposition made to the House provided that no students would be considered except those beyond their second year in college. As far as I am personally concerned, I do not object to inserting the word "advanced" there. If the gentleman desires to ask unanimous consent that that be done, I shall not object.

Mr. CASE of South Dakota. Mr. Speaker, I ask unanimous consent to offer an amendment.

Mr. FITZPATRICK. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. FITZPATRICK. Will this mean that they will have to take that back to conference again?

The SPEAKER. It all depends on whether or not the Senate accepts the action of the House. If not, it will have to go back to conference.

Is there objection to the request of the gentleman from South Dakota?

There was no objection.

The SPEAKER. The Clerk will report the amendment offered by the gentleman from South Dakota.

The Clerk read as follows:

Amendment offered by Mr. CASE of South Dakota to the motion offered by Mr. HARE: At the end of the motion add the following: "And in line 18, page 39, strike out the word 'students' and insert 'advanced students'."

Mr. HARE. Mr. Speaker, I yield 2 minutes to the gentleman from Washington [Mr. MAGNUSON].

Mr. MAGNUSON. Mr. Speaker, I do not want to speak in opposition to this amendment, but I do want to point out some factors that have not been brought out on this very important question.

I assume that by "advanced" the gentleman means second year students?

Mr. CASE of South Dakota. Yes; under the explanation I made, to make it the same as the policy of the Army and Navy.

Mr. MAGNUSON. The amendment then would put this in line with the announced policy of the Army and the Navy in taking men who are now in universities and giving them Reserve commissions?

Mr. CASE of South Dakota. Reserve status, not necessarily Reserve commissions.

Mr. MAGNUSON. Reserve status; yes. Then they say to these men, "You finish your course, because of your technical training and your technical value, and we will later pick you up and take you into the service." This places all this in the same category. I have no doubt that with the \$5,000,000 provided here there are plenty of worthy young men in all the technical colleges of the country who will benefit by this particular amendment to its fullest extent.

If, as the gentleman from South Dakota said, we are going to pick up younger students, we will run into all kinds of trouble and not enough money to go around.

I think the amendment is justified. It will help the poor boy and, above all, it will do this—there has been a lot of criticism throughout the country by mothers and fathers, of the policy of

the Navy and the Army in saying to a young man, "Because your name is John Doe, because you have had the opportunity to have 2 years of college, and because your parents can afford to keep you there for 2 more years, you do not have to go into the military service until we need you." This will give all the opportunity. This would alleviate a lot of that and would give the poor boy who is in college and in need of help a good chance to go through on an equal basis with other men. I hope the amendment will carry.

[Here the gavel fell.]

The SPEAKER. The question is on the amendment offered by the gentleman from South Dakota [Mr. CASE] to the motion offered by the gentleman from South Carolina.

The amendment to the motion was agreed to.

The SPEAKER. The question is on the amendment offered by the gentleman from South Carolina.

Mr. HARE. Mr. Speaker, I yield 2 minutes to the gentleman from New Mexico [Mr. ANDERSON].

Mr. ANDERSON of New Mexico. Mr. Speaker, I hope before the House puts the Federal Government into the student-loan business it takes advantage of the experience which many organizations have had in that work. All over this country there are organizations which for years have been lending money to students for the purpose of putting them through schools. There are such organizations in thousands of communities. I have had the opportunity of making a study of more than a thousand student-loan funds, and I can tell you now that if loans to students are going to be administered from Washington, they are going to fail. The only thing that has made them successful has been the fact that somebody in an individual community, a doctor or a lawyer or a merchant, who knows the boy puts his name on the note and then appeals to the young man to see it through for his sake. I may say to you that before you launch into any program with respect to a student-loan fund you ought to debate the matter in a legislative bill very carefully, because you will find there are certain methods that have been developed over a period of years that you will need to study and know about.

The whole program of student loans in America was started by very well intentioned men who had made a lot of money, and when they established such funds they always failed, because the students could say, "What difference does it make to him whether I make good or not, because he has a lot of money?" But when you have a woman's club or some local club or charity tied in to that young life, that young man says, "I must pay this back in order to make good my obligations."

I think this is very bad legislation, and I hope it is turned down.

Mr. HARE. Mr. Speaker, I move the previous question on the motion.

The previous question was ordered.

The SPEAKER. The question is on the motion offered by the gentleman from South Carolina.

The question was taken; and on a division (demanded by Mr. HARE) there were—ayes 55, noes 67.

So the motion was rejected.

Mr. HARE. Mr. Speaker, I move that the House further insist on its disagreement to the Senate amendment.

The motion was agreed to.

A motion to reconsider the votes by which the several motions were acted upon, was laid on the table.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 7280. An act making appropriations for the Military Establishment for the fiscal year ending June 30, 1943, and for other purposes.

The message also announced that the Senate agrees to the amendments of the House to a bill of the Senate of the following title:

S. 1957. An act to establish the naval procurement fund, and for other purposes.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the joint resolution (H. J. Res. 308) entitled "Joint resolution making appropriations to provide war housing and war public works in and near the District of Columbia."

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the joint resolution (H. J. Res. 324) entitled "Joint resolution making appropriations for work relief and relief for the fiscal year ending June 30, 1943."

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6845) entitled "An act making appropriations for the Department of the Interior for the fiscal year ending June 30, 1943, and for other purposes."

The message also announced that the Senate agrees to the amendments of the House to the amendments of the Senate numbered 21 and 23 to the bill (H. R. 6599) entitled "An act making appropriations for the Department of State, the Department of Justice, the Department of Commerce, and the Federal judiciary, for the fiscal year ending June 30, 1943, and for other purposes."

MILITARY APPROPRIATION BILL, 1943

Mr. SNYDER. Mr. Speaker, I call up the bill (H. R. 7280) making appropriations for the Military Establishment for the fiscal year ending June 30, 1943, and for other purposes, with the Senate amendments thereto.

The Clerk read the title of the bill.

The SPEAKER. The Clerk will report the Senate amendments.

The Clerk read the Senate amendments, as follows:

Page 7, line 19, strike out all after "war", down to and including "character" in line 23.

Page 60, after line 12, insert:

"SEC. 19. The appropriations and authority with respect to appropriations contained herein shall be available from and including July 1, 1942, for the purposes respectively provided in such appropriations and authority. The obligations incurred during the period between June 30, 1942, and the date of the enactment of this act in anticipation of such appropriations and authority are hereby ratified and confirmed if in accordance with the terms thereof."

Page 60, line 13, strike out "19" and insert "20."

Mr. SNYDER. Mr. Speaker, the Senate has not changed a single money item in the bill. There are but two changes. One strikes out a proviso which would permit service magazines or publications to run paid advertising of nonmilitary materials, such as are sold at post exchanges—candy, cigarettes, tobacco, and the like. Personally, I feel that the proviso should remain in the bill. Its deletion, in my judgment, has been prompted by selfish interests.

The other change makes the bill effective as of July 1, in case approval should occur later.

Mr. Speaker, I move that the House concur in the Senate amendments.

The motion was agreed to.

A motion to reconsider was laid on the table.

FIRST SUPPLEMENTAL NATIONAL DEFENSE APPROPRIATION ACT, 1943

Mr. CANNON of Missouri. Mr. Speaker, I move that the House resolve itself into Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 7319) making supplemental appropriations for the national defense for the fiscal year ending June 30, 1943, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 7319, the first supplemental national defense appropriation bill, 1943, with Mr. COOPER in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. The Clerk will read the bill for amendment.

The Clerk read as follows:

BOARD OF ECONOMIC WARFARE

Salaries and expenses: For all expenses necessary to enable the Board of Economic Warfare to carry out its functions and activities, including salaries of an Executive Director at \$10,000 per annum and four assistants to the Executive Director at \$9,000 per annum; personal services (including aliens) in the District of Columbia and elsewhere; the acceptance and utilization of voluntary and uncompensated services; the temporary employment of persons or organizations by contract or otherwise without regard to the civil-service and classification laws or section 3709 of the Revised Statutes; procurement of necessary services, supplies, and equipment without regard to section 3709, Revised Statutes, for use (1) outside the continental limits of the United States, including the rental of office space, and (2) within the United States when the aggregate amount involved in any one case does not exceed \$300; traveling expenses, including (1) expenses of attendance at meetings of organizations con-

cerned with the work of the Board, (2) actual transportation and other necessary expenses, and not to exceed \$10 per diem in lieu of subsistence of persons serving while away from their homes without other compensation from the United States, in an advisory capacity to the Board, (3) payment to the Chairman and the Executive Director of the Board of actual and necessary transportation, subsistence, and other expenses incidental to the performance of their duties, and (4) expenses outside the United States without regard to the Standardized Government Travel Regulations and the Subsistence Expense Act of 1926, as amended, or any limitation of law or regulation governing the payment of transportation and subsistence to military or naval personnel, and section 901 of the act of June 29, 1936 (49 Stat. 2015); transfer of household goods and effects as provided by the act of October 10, 1940 (54 Stat. 1105); preparation and transportation of the remains of officers and employees who die abroad or in transit, while in the dispatch of their official duties, to their former homes in this country or to a place not more distant for interment, and for the ordinary expenses of such interment; purchase and exchange of lawbooks and books of reference; the rental of news-reporting services; the purchase of, or subscription to, commercial and trade reports, newspapers, and periodicals; the purchase or rental of typewriters, adding machines, and other labor-saving devices, and the repair and exchange of same; the purchase, exchange, maintenance, operation, repair, and hire of motor-propelled or horse-drawn passenger-carrying vehicles; and printing and binding, \$13,818,000, of which amount such sums as may be authorized by the Director of the Bureau of the Budget may be transferred to other departments or agencies of the Government for the performance by them of any of the functions or activities for which this appropriation is made: *Provided*, That no other agency of the Government shall perform work or render services for the Board of Economic Warfare, whether or not the performance of such work or services involves the transfer of funds or reimbursement of appropriations, unless authority therefor by the Bureau of the Budget shall have been obtained in advance: *Provided further*, That not to exceed \$500,000 of this appropriation shall be available to meet emergencies of a confidential character to be expended under the direction of the Executive Director, who shall make a certificate of the amount of such expenditure which he may think it advisable not to specify, and every such certificate shall be deemed a sufficient voucher for the amount therein certified.

Mr. WIGGLESWORTH. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. WIGGLESWORTH: Page 5, in line 15, strike out "\$13,818,000" and insert in lieu thereof "\$12,000,000."

Mr. WIGGLESWORTH. Mr. Chairman, this bill carries an appropriation of \$13,818,000 for the Board of Economic Warfare. It includes about \$6,000,000 for special projects. It includes about \$1,268,000 for transfers to other agencies to conduct studies for the Board. It includes also \$6,549,450 for salaries and expenses, as compared with a total of \$3,199,000 made available to the Board during the current fiscal year. It calls for an expansion of the staff of the Board from 1,971 to 2,624.

Last evening I spoke at some length in reference to the functions of the Board of Economic Warfare as I see them. I emphasized the fact that it ap-

pears to me that these functions are in large measure in a field which is entirely impractical, that these functions are also in very large measure in fields which are already covered by other Federal agencies.

I mentioned specifically the requirements set-up which is supposed to ascertain the needs of other governments; the trade intelligence set-up, which is supposed to procure trade intelligence for our own Government; the development set-up, which is supposed to develop new sources of materials required by this Government; the industrial engineering set-up, which is supposed to step up production in other countries; and the economic warfare analysis set-up, which is supposed to prepare studies for the Army and the Navy.

I pointed out in each instance existing agencies operating in each field, including the State Department, the Commerce Department, the Treasury Department, the R. F. C. and its subsidiaries, the F. B. I., the Tariff Commission, and other agencies.

I think the functions of this organization are not only in large part impractical, but in large part merely duplicating those other agencies. I think under the Executive orders applicable to this agency it is accorded an unwise and unjustified control over all departments and agencies in any way connected with economic defense.

My amendment will reduce by \$1,118,000 the proposed appropriation for this agency. It will provide the agency with \$12,000,000, as compared with a total of \$3,199,000 in the current fiscal year. I hope the committee will adopt the amendment.

Mr. WOODRUM of Virginia. Mr. Chairman, I ask unanimous consent that debate upon this amendment close in 5 minutes.

The CHAIRMAN. Is there objection? There was no objection.

Mr. WOODRUM of Virginia. Mr. Chairman, the Board of Economic Warfare is one of the most important of the war agencies that are provided for in this bill. I think I can say with confidence that we had one of the most interesting and enlightening hearings on this agency with Mr. Milo Perkins, who is the head of the agency, or rather the executive head—the Vice President is the chairman of the Board—who came before our committee and discussed the very intricate and involved matters with which this Board has to do, much of which, of necessity, had to be off the record. This Board asked the Budget for \$17,000,000. The Budget cut it to \$13,818,000, and they stated to us very frankly that they had no complaint to make about the reduction made by the Budget, but if the war continued, and the situation continued as critical as it appeared it is going to continue, undoubtedly they would have to come back for additional funds.

This Board has the function of issuing separate licenses after careful separate individual consideration, for every export out of the United States. That numbers something like six or seven thousand a day, and that is something of the magnitude involved merely in the licensing ac-

tivity of the Board. It has to do with our economy as it is integrated with the economy of the other nations of the world today, a world that is gradually restricting insofar as our trade relations are concerned, with more and more vital strategic materials being harder and harder to get. In other words, as Mr. Perkins expressed it, it is a question of dividing as best possible a deficit of the strategic and critical things we have to have in this war. I think it would be a great mistake to make a cut in this appropriation. It would be a purely idle gesture, because I am confident they are not going to be able to get along if the war continues, as I am afraid it will, on the amount of money provided in this bill.

Mr. DITTER. Will the gentleman yield?

Mr. WOODRUM of Virginia. I yield.

Mr. DITTER. I am glad the gentleman referred to Mr. Milo Perkins and the important place he has in this set-up. I am wondering whether the gentleman feels that we should give blanket approval to a philosophy such as I presently refer to now, quoting from Milo Perkins, when he says that "complete victory will not be won until there is a full and increasing use of the world's resources to lift living standards from one end of this planet to the other." That is taking in a pretty big field.

Mr. WOODRUM of Virginia. Why does the gentleman complain of that?

Mr. DITTER. Because I feel it is simply so idealistic and so impractical that if we try to do it, I believe the gentleman is practical enough to see that it is a hopeless task.

Mr. WOODRUM of Virginia. No; I would not say that. I think it is a Herculean task, but it is not a hopeless task.

Mr. DITTER. Then it will only begin by pulling down our standards of living.

Mr. WOODRUM of Virginia. I do not think so. The position that Mr. Milo Perkins presently has is Executive Director of the Board of Economic Warfare. Before our committee he gave one of the finest and most intelligent and most understanding discussions of this highly intricate and involved problem of anyone who appeared before our committee.

Mr. DITTER. I am not taking issue with that, but I am taking issue with an ideology that is so impractical as the one espoused by Mr. Perkins.

Mr. WOODRUM of Virginia. I do not think we need disturb ourselves too much about ideologies, but try to be a little more practical with the things that are presently before us.

Mr. Chairman, I hope the amendment will not be agreed to.

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts [Mr. WIGGLESWORTH].

The question was taken; and on a division (demanded by Mr. WIGGLESWORTH) there were—ayes 43, noes 57.

Mr. WIGGLESWORTH. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chair appointed Mr. WIGGLESWORTH and Mr. WOODRUM of Virginia to act as tellers.

The committee again divided; and the tellers reported there were ayes 65 and noes 59.

So the amendment was agreed to.

The Clerk read as follows:

PAR. 9. Office of Scientific Research and Development: For the Office of Scientific Research and Development, \$73,000,000, including purchase of reports, documents, plans, and specifications: *Provided*, That there may be paid from this appropriation to the National Academy of Sciences a sum not exceeding \$113,790 for the administrative and overhead expenses incurred by said academy during the fiscal year 1943 in carrying out research projects for Federal agencies and such sum shall be in addition to any reimbursement otherwise provided for. Notwithstanding the provisions of section 3679 of the Revised Statutes (31 U. S. C. 665), the Office of Scientific Research and Development is authorized, in making contracts for the conduct of investigations or experiments, to agree on behalf of the United States to indemnify the contractor from such funds as may be hereafter appropriated for the purpose, against loss or damage to persons or property arising from such work: *Provided further*, That advances of funds may be made in connection with contracts entered into by the Office of Scientific Research and Development without regard to section 3648, Revised Statutes: *Provided further*, That funds available to any agency of the Government for scientific or technical research, development, testing, construction of test models, experimental production, or the provision of facilities therefor, shall be available for transfer, in whole or in part, to the Office of Scientific Research and Development, and funds so transferred shall be expendable in the same manner as this appropriation.

Mr. RICH. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. RICH: Page 13, line 19, strike out "\$73,000,000" and insert in lieu thereof "\$68,000,000."

Mr. RICH. Mr. Chairman, I offer to strike out \$5,000,000 from this \$73,000,000 for the Office of Scientific Research and Development. The reason I offer this amendment is because I am trying to eliminate, if possible, any duplication.

Yesterday, when the Interior Department appropriation bill was before us, we established 3 new laboratories at a cost of \$1,200,000, in addition to the 9 or 10 that have already been established in the Interior Department. The situation is just this: We have these laboratories in the custody of the Interior Department and in the Bureau of Mines, and we have a great system of experimental investigation and many, many college laboratories. I am in hopes that by striking this \$5,000,000 from this appropriation, those in charge of the Office of Scientific Research and Development will use all the facilities that we have now constructed and those that you authorized yesterday and not duplicate this work. The college laboratories of the country are going to be employed to a very great extent for this scientific research and development, and rightfully so.

This is the first deficiency appropriation for 1943. We do not start 1943 until tomorrow. A great many times during the year we figured we would be \$18,000,000 in the red, but it looks as though

by the time the books are closed tonight we will be nearer \$20,000,000 in the red. A red, red, red year for the Treasury. This is the tenth year of the reign of Mr. Roosevelt, and every year he has had a great deficit. Every year a deficit, and the last his greatest. This is the greatest deficit of all time in the history of all nations for any country of the world. Next year, according to the figures that are prognosticated, you will more than double this deficit. It will be near \$40,000,000,000. You are getting this country into a very serious position. Nearer and nearer bankruptcy. If you use the facilities that you have and if we stop the duplication of effort and try to concentrate all of our affairs in scientific research in the laboratories already established in this country, \$5,000,000 taken from this appropriation of \$73,000,000 will not hurt this Department at all. If it is found necessary later, it can be appropriated. The coordination of all the facilities and laboratory work in the various Government laboratories and the various college scientific research laboratories will react to the betterment of the service that will be rendered by this Bureau.

I hope that this amendment will be adopted.

[Here the gavel fell.]

Mr. COCHRAN. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I think we should stop and give a little thought to just exactly what some are trying to do with appropriations that have to do with national defense. I am in favor of saving money and have always been, but I am not in favor of saving any money that the Administration says is necessary in connection with our national defense program.

What is this organization from which the gentleman seeks to take \$5,000,000 instead of granting the \$73,000,000 which the committee recommends and the Budget estimated it needed? I read the following from the report of the Committee:

The Budget estimate of \$73,000,000 is approved. Duties carried on by this wartime organization consist of research on instruments and weapons of war for the Army and Navy, upon which the National Defense Research Committee advises, and medical research in aid of medical groups of the Army and Navy, upon which the Committee on Medical Research advises. The Army and the Navy are represented on both committees which consist of eminent citizens distinguished for service in their respective fields.

At the present time the office has 663 contracts with academic institutions involving 94 colleges and universities with a value of \$22,000,000. It also has contracts with industrial and private laboratories involving 110 industrial establishments with a value of \$12,000,000; a total of 1,001 contracts with a value of \$34,000,000. These contracts are all on a no-profit, no-loss basis. Of the 1,001 contracts for research and development 169 are in the medical field and the remainder involve war weapons and war materials and are in response to requests from the Army and Navy.

Most of the testimony with respect to the activity of necessity was "off the record." The committee, however, is satisfied with respect to the type and quality of work and with the results being obtained. So far over 100 different articles, formulas, or de-

velopments are in use as the result of this research. Testimonials of the effectiveness of the research are set forth in letters from the Secretary of War and Secretary of the Navy printed in the hearings. A short quotation from the letter of the Secretary of War is illustrative. He wrote: "For example, the War Department has placed orders amounting to approximately \$560,000,000 for items developed by one section alone of your office. Further, as a result of a new production method developed for a new explosive by another section of the National Defense Research Committee the Army has placed orders for plant and production amounting to about \$270,000,000. It is anticipated that the new process will result in an initial saving of approximately \$100,000,000 in plant construction costs and additional savings of many thousands of dollars a day in operating costs."

The amphibian jeep, which is now in production for the War Department, is a development of which the Nation can be proud. The nonprofit contract which brought it to the stage of production cost \$143,307.19.

This war is a war of mechanical weapons and one in which those weapons are constantly undergoing improvement with a view to having superior equipment. We face antagonists who are ingenious in devising and manufacturing mechanical weapons and the ammunition to be used by them. Their reputation for research and development is well known, and the United States cannot afford to lag in this important aspect of preparation.

Just as important is research in the medical field. Our armies are fighting and will fight in parts of the world to which they are unaccustomed and where health and sanitation conditions are primitive and difficult. The sources of some important medical supplies have been cut off and substitutes must be developed. Strenuous conditions of mechanical warfare are producing effects on the human system which must be met with adequate medical treatment.

The Nation eagerly looks to this research program for the development of much valuable assistance.

Mr. COCHRAN. I cannot conceive that any Member of this House can at this time vote against the Budget estimate in view of what your committee says. Just because one does not know something about an agency's activities is not justification for offering an amendment that will cripple that agency.

Do not forget all the contracts are all on a nonprofit, no-loss basis.

I feel you are treading on very dangerous ground when you come in here and attempt to strike \$5,000,000 from an appropriation of this character. I will not vote for such an amendment and I hope it will be defeated.

Mr. WIGGLESWORTH. Mr. Chairman, will the gentleman yield?

Mr. COCHRAN. I yield.

Mr. WIGGLESWORTH. I simply want to say, Mr. Chairman, that I believe this agency is one of the most essential and important agencies in the entire set-up here in Washington.

Mr. COCHRAN. I do not know anything about its set-up. I accept my friend's view as I must get my information from your committee.

The gentleman from Massachusetts [Mr. WIGGLESWORTH] is a member of the Appropriations Committee. Surely when he can indorse the work of an agency, as he has just done, is not that sufficient evidence that it would be a mis-

take to adopt this amendment? I thank the gentleman for his contribution.

Destroy or cripple this work and you might keep the Army or the Navy from getting some kind of weapon that might win this war.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. COCHRAN. I yield.

Mr. RICH. Cannot this organization use the laboratories that were authorized yesterday in the Interior appropriation bill?

Mr. COCHRAN. Those laboratories have not a thing in the world to do with this organization. The gentleman will find that out if he will but read the report of the Appropriations Committee, of which he is a member.

Not only do I want to see this amendment defeated, but, Mr. Chairman, I think it very important that Members be sure of their ground before offering amendments that would hamstring a national defense agency. A few minutes ago an amendment was adopted, and I doubt if half of the Members understood how important that activity is. I have made up my mind I do not propose to economize at the expense of national defense agencies and projects.

[Here the gavel fell.]

Mr. TABER. Mr. Chairman, I desire to be recognized in opposition to the amendment.

The CHAIRMAN. The gentleman from New York is recognized for 5 minutes.

Mr. TABER. Mr. Chairman, this item of \$73,000,000 was put in the bill as a result of the vote of every member of the subcommittee from the majority side straight down through the minority side; there was no opposition to it. Every member of the subcommittee felt that we should go ahead just as far as we could go in trying to develop through experiments and research work the things that our boys who are required to fight in the field need. This outfit is headed by Dr. Vannevar Bush, the head of Johns Hopkins University. He has allied with him the greatest scientists in America, and they are really accomplishing things.

I think that a vote by anyone in the House of Representatives against this item is a great mistake, and I favor the rejection of this amendment right away.

Mr. COCHRAN. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. COCHRAN. The attitude of the gentleman from New York and the gentleman from Massachusetts [Mr. WIGGLESWORTH] is a clear indication of how they are cooperating on important matters in connection with national defense. When these gentlemen, members of this committee, say this is one of the most important activities we have, I think the House should listen to them.

Mr. LUDLOW. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Indiana.

Mr. LUDLOW. Is it not true that Dr. Bush told us some very interesting and important matters off the record show-

ing the very profound accomplishment of this organization in the matter of combating submarine warfare?

Mr. TABER. He did; and I would say to the gentleman that a great deal of the work that he is doing would not be proper for him to lay before the committee. I think these scientists should have a full opportunity to develop these things with the idea that they will be put to use just as fast as they can be put to use for the sake of victory.

Mr. LUDLOW. Mr. Chairman, will the gentleman yield further?

Mr. TABER. I yield.

Mr. LUDLOW. Is it not true that any person who could be privileged to read the record would not be able to understand the real importance of this organization and the value of its work because its accomplishments are in a large degree secret and it is not in the national interest to reveal them or to discuss them publicly?

Mr. TABER. The gentleman is correct.

Mr. VAN ZANDT. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. VAN ZANDT. One of the answers to submarine warfare is the development of sound detectors. This group, I understand, is working on this matter.

Mr. TABER. I think that is correct.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. RICH. I have no desire to hinder any scientific research.

The appropriations granted by this subcommittee were to establish laboratories, and we had them in yesterday's bill. I am hoping that by proper economies and the utilization of those laboratories we may be able to save a few dollars and still continue to do the work.

Mr. RABAUT. Will the gentleman yield?

Mr. TABER. I yield to the gentleman from Michigan.

Mr. RABAUT. The gentleman from Pennsylvania says he has no desire to cut it down or injure the program, yet he offers an amendment to cut \$5,000,000 off the amount, or seeks to.

Mr. TABER. That is a mistake. This organization is given the power under this paragraph to have transferred to it any activity, any work, and any work that is appropriated for any other unit in the Government conducting experimental work in connection with the war activity. I cannot see the amendment.

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania [Mr. RICH].

The amendment was rejected.

The Clerk read as follows:

PAR. 11. War Production Board: For the War Production Board, \$68,546,300, including not to exceed \$50,000 for the employment of aliens; not to exceed \$50,000 for the temporary employment of expert witnesses, by contract or otherwise, without regard to the civil-service or classification laws; and not to exceed \$500,000 for scientific research on materials, material substitutes, and other subjects related to the functions of the Board, without regard to section 3648, Revised Stat-

utes: *Provided*, That funds available for expenses of the War Production Board for the fiscal years 1942 and 1943 may be used for the rental, maintenance, and operation of one airplane.

Mr. TABER. Mr. Chairman, I offer an amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. TABER: Page 15, line 4, after the word "Board", strike out "\$68,546,300" and insert "\$67,546,300."

Mr. TABER. Mr. Chairman, I have offered this amendment with the view of cutting down the amount of money available for the Division of Civilian Supplies under Mr. Henderson. For that division there is estimated \$1,868,000. This is the place where they have gathered together a lot of those people who were in the old Consumers' Division. This is a direct duplication of the work carried on in the Office of Price Administration, and it does not serve the kind of purpose that promotes national defense. There is nothing for them to do. It would be just as well if there were a coordination of the War Powers Board and those items that have not anything to do with it were taken out and put in the other places where they belong. It is a mistake to carry this thing here at all, and I think it ought to be cut down, indicating that the Congress does not approve of that kind of duplication.

Mr. CRAWFORD. Will the gentleman yield?

Mr. TABER. I yield to the gentleman from Michigan.

Mr. CRAWFORD. In all seriousness and fairness to Mr. Henderson, does the gentleman know of any research work in the field of American economics that is not being done at the present time by Mr. Henderson's staff and those which he proposes to add thereto and which would be left for some other group to accomplish?

Mr. TABER. I do not think there is a single thing in that connection that is not being covered by Mr. Henderson's 640 economists and 1,804 business specialists, and I cannot see how it is possible for this outfit and duplication to serve a useful purpose. I think the more we encumber and blunder the war effort the more we are going to be in trouble. Instead of helping the war effort, I think it is a liability to us.

Mr. WOODRUM of Virginia. Mr. Chairman, I ask unanimous consent that all debate on this amendment close in 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Virginia [Mr. WOODRUM]?

There was no objection.

Mr. WOODRUM of Virginia. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from New York [Mr. TABER].

Mr. Chairman, I think we ought not to make any reduction in this appropriation for the War Production Board. Every one of the items in this budget for the War Production Board has had the careful consideration and approval of Mr. Nelson. The Statistics Division referred to by the gentleman from New York is

headed by Dr. Stacy May, a very eminent and distinguished economist.

Mr. TABER. If the gentleman will yield, Dr. May is not the head of this. Mr. Henderson is the head of this outfit, and Mr. Weiner is his assistant.

Mr. WOODRUM of Virginia. This is not a part of the O. P. A., I will say to the gentleman.

Mr. TABER. Only Mr. Weiner's testimony before our committee; that is all. The list of these people is here in the RECORD.

Mr. WOODRUM of Virginia. This budget was gone over with Mr. Donald Nelson, and we asked him when he was before our committee to go over it. He told us that he personally approved this and he felt it was a minimum for his needs. The War Production Board today must be cognizant of all the detailed information with reference to not only critical materials but everything practically that goes into the production of what we are using in the war effort. That takes in practically the whole category.

Mr. TABER. If the gentleman will yield, on page 377 Mr. Weiner said:

Only 14 percent of the total personnel is \$5,600 or over.

I asked him:

Who is the head of that? Are you the head of this division?

Mr. Weiner replied:

No. Mr. Leon Henderson is.

Mr. WOODRUM of Virginia. Mr. Henderson is on the Board. Do not get this confused with the Office of Price Administration, which will come up later. This is the War Production Board, the key war agency in our whole war effort. We would make a great mistake to cripple this agency that is asking for enough money to get along in this great war effort. I hope the amendment will not be agreed to.

Mr. CRAWFORD. I think the hearings will indicate that in discussing the question of whether or not Mr. Henderson draws his statistical information from the War Production Board and the question of allocation of war supplies and all that, or whether the War Production Board draws information from the O. P. A., Mr. Henderson testified that the information is drawn from the O. P. A. records.

Mr. WOODRUM of Virginia. They might use information they got from O. P. A., but their statistics and information are an entirely different field.

Mr. CRAWFORD. I am mixed up, then, if that is true.

Mr. WOODRUM of Virginia. They may have certain studies that are of use to the War Production Board. The agency we are now seeking to curtail utilizes the facts, studies, and figures that industry, the Army, the Navy, the Maritime Commission, the Office of Defense Transportation, and all of the other agencies have, but there must be some agency in the War Production Board in which all this information can be consolidated into one study for the information of the Board. That is this agency we are now seeking to curtail.

Mr. COCHRAN. Mr. Chairman, will the gentleman yield?

Mr. WOODRUM of Virginia. I yield to the gentleman from Missouri.

Mr. COCHRAN. The appropriation is for a national defense activity, regardless of who may be at the head of it?

Mr. WOODRUM of Virginia. And Mr. Donald Nelson says it is vitally important. [Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York.

The question was taken; and on a division (demanded by Mr. TABER) there were—ayes 39, noes 57.

So the amendment was rejected.

The Clerk read as follows:

PAR. 13. General provisions: Total, Office for Emergency Management, paragraphs 1 to 12, inclusive, \$270,681,890, to be expended for, or in the administration of the affairs of, the agencies within the Office for Emergency Management, paragraphs 1 to 12, inclusive, hereinafter called the constituent agencies, in accordance with the following provision:

(a) There may be transferred from any of the foregoing appropriations for the constituent agencies sums to other agencies of the Government for the performance by such other agencies of any of the functions or activities for which these appropriations are made: *Provided*, That no other agency of the Government shall perform work or render services for any of the constituent agencies, whether or not the performance of such work or services involves the transfer of funds or reimbursement of appropriations, unless authority therefor by the Bureau of the Budget shall have been obtained in advance.

(b) The head of any of the constituent agencies may delegate to any other official in such agency the authority to make appointments of personnel and to make other administrative determinations necessary for the conduct of the business in such agency.

(c) Any employee of any of the constituent agencies is authorized and empowered, when designated for the purpose by the head of such agency, to administer to or take from any person an oath, affirmation, or affidavit, when such instrument is required in connection with the performance of the functions or activities of such agency.

Mr. DITTER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I take this opportunity to direct the attention of the committee to a matter that was deleted by the Committee on Appropriations but which, nevertheless, I feel should have the attention of the House. I refer to the fact that \$15,000,000 was deleted by the committee from the request made by the Agricultural Marketing Administration for the disposition of foodstuffs in Puerto Rico.

It seems to me that the statement of the Resident Commissioner of Puerto Rico before the Appropriations Subcommittee should have attention. I refer to page 911 of the hearings, at which point the Resident Commissioner of Puerto Rico made this very significant statement:

Governor Tugwell came to Puerto Rico with his head full of theories and experimental schemes, without a single practical or sound idea in his mind to improve the economic conditions or to foster the welfare of the people. * * * In other words, he openly expressed the idea that the island would be excellent as a guinea pig.

Some of us who served in an earlier day in the House will recall Rexford Tugwell. We associate with that name of Tugwell the scheme he advanced at that time for the remaking of America. Many of the socialistic ideas he held near and dear were advanced at no small cost to the American taxpayer. It is probably a rather disastrous thing, but I feel that as the Resident Commissioner speaks of guinea pigs in Puerto Rico, we should not overlook the guinea pigs in the resettlement centers that were established, and the other idealistic programs that were fostered by the New Deal and paid for out of the funds of the Treasury.

The interesting thing, however, Mr. Chairman, in connection with the Resident Commissioner's statement, is the fact, as you will remember, that for a while Tugwell withdrew from the Federal service and went back to New York with some molasses concern. If you will read these hearings further, you will find that the one man who advocated this program of \$15,000,000, to which the Resident Commissioner objected, was the head of a molasses concern in New York. I think it is called the American Molasses Co. So we have the molasses moving back and forth. There was no attempt to cover this program. It was open. One drop of molasses, you know, will catch more flies than a gallon of vinegar. They did not stop with just a drop of molasses to get the flies, they took it by the barrelful.

I think the majority ought to be commended. To me, it is an encouraging sign. It indicates a change of heart. It indicates that they have seen the error of their ways. It indicates that a lot of this fancy planning program, planned economy, is no longer going to be persuasive with the majority as it maps its war program.

I think the Resident Commissioner from Puerto Rico should be commended for the forthright way in which he made his declaration. I think that if we only give the majority time, undoubtedly the spirit of repentance that was indicated by the deletion of the sum will become the greater day by day. I think there will be not only an acknowledgment of error but a desire to cure and correct conditions.

[Here the gavel fell.]

(Mr. DITTER asked and was given permission to revise and extend his remarks in the Record.)

Mr. WOODRUM of Virginia. Mr. Chairman, I ask unanimous consent that all debate on this amendment close in one-half minute.

The CHAIRMAN. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. WOODRUM of Virginia. Mr. Chairman, the great virtue of repentance is a wonderful thing. There is always hope as long as there is chance for repentance, and I am still praying for the gentleman from Pennsylvania.

The Clerk read as follows:

Salaries and expenses: For all necessary expenses of the Office of Price Administration in carrying out the provisions of the Emergency Price Control Act of 1942 (Public Law

421), and the provisions of the act of May 31, 1941 (Public Law 89), as amended by the Second War Powers Act, 1942 (Public Law 507), and all other powers, duties, and functions which may be lawfully delegated to the Office of Price Administration, including personal services in the District of Columbia and elsewhere; expenses of in-service training of employees, including salaries and traveling expenses of instructors; not to exceed \$55,000 for the employment of aliens; not to exceed \$30,000 for the temporary employment of persons or organizations, by contract or otherwise, without regard to section 3709, Revised Statutes, or the civil-service and classification laws; contract stenographic reporting services; witness fees; purchase of lawbooks, books of reference, newspapers, press clippings, and periodicals; printing and binding; procurement of supplies, equipment, and services, including typewriters, adding machines, and other labor-saving devices and their repair and exchange; maintenance, repair, and operation of passenger-carrying vehicles; transfer of household goods and effects as provided by the act of October 10, 1940, and traveling expenses, including (1) attendance at meetings of organizations concerned with the work of the Office of Price Administration; (2) actual transportation and other necessary expenses and not to exceed \$10 per diem in lieu of subsistence of persons serving while away from their homes in an advisory capacity without other compensation from the United States, or at \$1 per annum; \$75,000,000, of which amount such sums as may be authorized by the Director of the Bureau of the Budget may be transferred to other departments or agencies of the Government for the performance by them of any of the functions or activities for which this appropriation is made: *Provided*, That no other agency of the Government shall perform work or render services for the Office of Price Administration, whether or not the performance of such work or services involves the transfer of funds or reimbursement of appropriations, unless authority therefor by the Bureau of the Budget shall have been obtained in advance: *Provided further*, That such appropriation of \$75,000,000 shall be so administered during the fiscal year 1943 as to constitute the total amount that will be furnished to such Administration during such fiscal year for the purposes set forth in this paragraph and shall not be augmented by allocations or transfers of funds from any other appropriation: *Provided further*, That no part of this appropriation shall be used for the compensation of any officer, agent, clerk, or other employee of the United States who shall divulge or make known in any manner whatever to any person the operations, style of work, or apparatus of any manufacturer or producer visited by him in the discharge of his official duties, or the amount or source of income, profits, losses, expenditures, or any particular thereof, set forth or disclosed in any questionnaire, report, return, or document, required to be filed by order or regulation of the Administrator or to permit any questionnaire, report, return, or document or copy thereof or any book containing any abstract or particulars thereof to be seen or examined by any person except as provided by law; nor for any person who shall print or publish in any manner whatever, except as hereinafter provided, any questionnaire, report, return, or document, or any part thereof, or source of income, profits, losses, expenditures, or methods of doing business, appearing in any questionnaire, report, return, or document: *Provided further*, That the foregoing provisions shall not be construed to prevent or prohibit the publication or disclosure of studies, graphs, charts, or other documents of like general character wherein individual statistics or the source thereof is not disclosed or identified directly or indirectly.

Mr. WOODRUM of Virginia. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WOODRUM of Virginia: On page 23, at the end of line 2 and before the period, insert "nor to prevent the furnishing in confidence to other executive agencies of the Federal Government such data and information as may be useful to them in the performance of their duties."

Mr. WOODRUM of Virginia. I would not imagine the gentleman from New York would have any objection to that, Mr. Chairman. It is merely a clarifying amendment.

Mr. TABER. I think that is all right.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Virginia.

The amendment was agreed to.

Mr. TABER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. TABER: On page 21, line 12, strike out "\$75,000,000" and insert "\$50,000,000."

Mr. TABER. Mr. Chairman, if I had wanted to play politics with this proposition, I would have sat still when the Budget estimate of \$161,000,000 was submitted to the Congress, and would not have opposed the insertion in the bill of an amount of that character, but I felt it my duty to the people of the United States to do everything I could to procure efficient and competent administration of that office. I felt it my duty to do everything I could to see that the Office of Price Administration was administered on the basis of public cooperation and not with a sledge hammer.

If all the snoopers, all the investigators, and all the lawyers that were provided for in the original estimate were employed, the people of the United States would have felt their resentment growing and growing as time went on and their personal and private affairs were intruded upon by this group of snoopers, snipers, accountants, lawyers, and all that sort of thing.

Just so you will have a picture of what was presented to us, I want to give you the facts:

The estimates called for 2,756 lawyers; for at least nine times as many as were necessary to do a decent job if they were competent lawyers. They called for 1,804 business specialists, when there could not possibly be work for over a couple of hundred, if you stretched the thing inside out. They called for 644 economists, when if they had 50, they would have an enormous number.

In addition to this they called for all sorts of investigators. They called for the setting up of 200 and over regional offices and 5,000 district offices.

Now, it is perfectly apparent that with a force of over 60,000 paid employees they would have an enormous number. For instance, to show the kind of set-up they presented, they called for \$13,000,000 to enforce the rent program, and they put that in the hands of a man named Paul Porter, who did not have any experience whatever with the real-estate situation. He went ahead and made a set-up all over the country. Instead of calling on the real-estate men and hav-

ing voluntary boards to pass on these rent questions, composed of people who would know something about it, he got others who knew nothing about it. He goes down to Atlanta and gets a young fellow, 26 years old, who had been a clerk in the department store, and a window dresser, to be regional director covering several States.

You talk about the 2,756 lawyers, the whole set-up of the War Powers Board, with double the activities that this outfit could possibly have, only calls for 129 lawyers. Why is that? Because the head counsel of the War Powers Board is John Lord O'Brien, one of the greatest trial lawyers and a lawyer with great experience before the Supreme Court of the United States. He has picked out lawyers who are lawyers and who understand what the law is all about, and with three or four times the responsibility and the work that this Price Administration will have for lawyers, they were set up with only one-twentieth of the number of lawyers.

[Here the gavel fell.]

Mr. TABER. Mr. Chairman, I ask unanimous consent to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. COOLEY. Who is the present chief counsel of O. P. A.?

Mr. TABER. David Ginsberg.

Mr. COOLEY. Does the gentleman know anything about his background?

Mr. TABER. He has never had any experience in practicing law in private practice. He is a young man of considerable attainments, but one of those young men whose service has been practically entirely in the Government service. A year or so ago, or maybe a little more, he was getting \$2,600 in one of these outfits.

Mr. COOLEY. And now he is chief counsel for O. P. A.?

Mr. TABER. And his chief assistant is Thomas Emerson, of National Labor Relations Board fame. Maybe that is the way to do business.

Now you can see why the committee made some cuts. Frankly I think, if they had \$50,000,000, it would improve the administration, because it would require Mr. Henderson to go ahead and make intelligent and fair set-ups all the way through in every unit.

I appreciate that I am doing my own political party a disservice in offering this amendment, because I appreciate that, if the people had to be subjected to all the annoyances of that gang that Henderson had set up, it would build up the vote for my party tremendously. The resentment created would do this. I appreciate this, but I feel that it is my duty to the country to protect the country as far as I can from the administration of these gentlemen and to give Mr. Henderson an opportunity to organize his force on an intelligent and progressive line, and to call into force all the patriotic citizens who are ready and willing to do everything they can to cooperate with a patriotic

program wherever it is necessary and to do whatever is necessary to keep prices down.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. COOLEY. Does the gentleman know whether or not any consideration was given to the advisability of entrusting the enforcement of these rules and regulations to the Federal Trade Commission, which organization I understand does now have a large corps of trained lawyers who have had great experience in the enforcement field.

Mr. TABER. I do not believe I have ever heard that brought up. I can see whether that might be a source from which a group could be built up to do whatever work is needed to be done and do it efficiently along this line.

Mr. CASE of South Dakota. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from South Dakota.

Mr. CASE of South Dakota. If the gentleman will look at the hearings on the independent offices appropriation bill, with respect to the section dealing with the Federal Trade Commission for the coming fiscal year, he will find that that suggestion was proposed by me during those hearings, and he will find some testimony by members of the Federal Trade Commission as to what they did on price control during World War No. 1.

Mr. SMITH of Ohio. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. SMITH of Ohio. In the hearings, Mr. Henderson testified that the British Government is using 35,000 people engaged in the fixing of prices and in rationing, but there is nothing shown here as to what that is actually costing.

Mr. TABER. That is a large number, an exceedingly large number. I do not believe such a large organization in this country, taking into consideration that we are calling upon volunteers who are prepared and eager to do everything they can to meet this situation, is necessary. I believe that Mr. Henderson could promote a much more efficient organization, if he did not have so much money, and if he did it on the basis of calling for service instead of trying to promote and create jobs.

Mr. WOODRUM of Virginia. Mr. Chairman, I think it is a mistake to confuse a discussion of personalities and the administration of this act, taking into consideration the job that is to be done and the amount of money that should be employed and is necessary for it. The legislative branch of the Government after very careful thought, and after much agonizing, passed the Emergency Price Control Act of 1942, one of the most comprehensive and far-reaching and revolutionizing acts ever passed by the House of Representatives. It was done upon the philosophy that it was necessary to do that in order to prevent inflation, and in order to administer the act some administrator had to have pretty wide authority in its administration. That act affects intimately the lives and daily comfort and conduct of all

of the American people—all of them. Not only that, but it affects the business and the financial efforts of 2,200,000 firms that come under its jurisdiction. In every crossroad, in every village, in every township, in every city, the forces of government, comprehended by the Price Control Act, reach out and touch each very vitally. There is a whale of a job for somebody to do. My good friend the gentleman from New York [Mr. TABER], with whom I agree often and occasionally disagree, though usually on some matters of details and not fundamentals, tells you how many lawyers, and how many business experts, and so forth, and that all sounds ridiculous, and the committee thought so; and for that reason the committee reduced the appropriation from \$161,000,000 as recommended by the Budget to \$75,000,000. Seventy-five million dollars is a good deal of money, it is true, but I submit to you that with this act upon the books, and with our citizens coming under its purview, that we will not be helping the situation any by taking all of the money away so that there will be no organization to administer. Under the \$75,000,000 as reported to the House, the Office of Price Administration will not be able to continue with its present set-up. They will have to dismiss people from their pay roll. They now have 30,000 people on the pay rolls, and 18,000 of them are employees of these local boards, and if we make too drastic a cut of this appropriation, we will find that there is where complaints will come, and Members of Congress will find out mighty quickly from their districts and from every township and hamlet, when the merchants in the little towns are not able to go to these local boards and get any satisfaction about these various things that come under the purview of the Office of Price Administration.

Here is the sugar rationing, and the gasoline and the tire rationing, and many other things that ultimately undoubtedly are going to come under the rationing power of this Board that we have delegated to them. In addition to that, there is the matter of rent control in the country, wherein we provided what we hoped would be a safeguard against any unconscionable increases in defense areas. That comes under the administration of this Board, and undoubtedly many other commodities will be rationed as the war presses closer and closer to us. All of that has to be done by some administration. I say again, let us not confuse our displeasure with some individual, or some particular act of that individual, by depriving the agency of enough money to continue its affairs. I do not believe that \$75,000,000 is going to be enough for the Office of Price Administration to administer the Price Control Act, and I sincerely and honestly believe that it would be infinitely better for this Congress to repeal the Price Control Act, just wipe it off the books and take our chances on what inflation would come, what run-away there would be, rather than to set up an agency and then starve it to death in the matter of funds with which to carry on.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. WOODRUM of Virginia. Yes.

Mr. COOLEY. Does not the gentleman think it would be a good idea for Congress to repeal the Price Administration?

Mr. WOODRUM of Virginia. I do not think that is an issue before the Congress at the present time, but I am glad the gentleman asked that question, because I do not think that is the way to reach that. If we do not want the Price Control Act, let us repeal it, because, honestly, we will be throwing away \$50,000,000, and it would be the most irritating thing any Member of Congress ever had to contend with. They say use local people on these boards. The committee thought that the Office of Price Administration could use more local talent, and therefore we drastically cut the appropriation.

Bear in mind the fact that the Office of Price Administration wanted \$200,000,000 to run this show. The Budget cut them to \$161,000,000. Still, the Appropriations Committee, after full hearings felt that they had not sufficiently availed themselves of local help and local assistance that they could get in communities, and has made a further cut. But when you get down to your local board in your local community that have gasoline, tires, sugar, and many other things that will be added to this roster of things that are to be rationed, to say nothing of the price- and rent-control functions, you may get three or four patriotic local citizens, members of the chamber of commerce or of your bank to agree to meet once or twice a week with the local board and pass on policies, but those men will not stay in the office from 7 o'clock in the morning until dark every day answering individual questions that merchants, tradesmen, and individual citizens file in there and ask them about. Somebody has to be there who has sense enough and information enough to handle this thing. That is where the pinch will come if we do not give them enough money to run this business.

I hope it will be the pleasure of the House to back up what the committee has done and leave the \$75,000,000 there. Let us try to improve the administration of this thing. If it is not enough, the Congress will be here and they can come back.

[Here the gavel fell.]

Mr. WOODRUM of Virginia. Mr. Chairman, I would like to see if we cannot agree on time for debate on this amendment.

Mr. PATMAN. I hope the gentleman will not try to cut off debate on this thing because a number of us were here yesterday and we were told if we did not insist on time under general debate liberal time would be granted under the 5-minute rule. Personally I would like to have 15 minutes.

Mr. WOODRUM of Virginia. Well, I do not want to shut off debate, but we are all very anxious for reasons that everyone is interested in to get this bill out.

Mr. Chairman, I ask unanimous consent that all debate on this paragraph and all amendments be limited to 1 hour.

The CHAIRMAN. Is there objection to the request of the gentleman from Virginia?

Mr. PATMAN. Mr. Chairman, reserving the right to object, I hope the gentleman will not insist upon that at this time. I have spoken to the gentleman about this. It is a very important matter. It involves inflation. It involves the greatest questions confronting our country today. The gentleman has been before the Appropriations Committee. He has made speeches on the floor. Others of us who are equally interested have not had a single opportunity. We have not been speaking on other questions, waiting until we came to this question. I hope the gentleman will withdraw his request. Personally I would like to have 15 minutes.

Mr. HOFFMAN. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard. The gentleman from Pennsylvania [Mr. KUNKEL] is recognized for 5 minutes.

Mr. KUNKEL. Mr. Chairman, I want to speak in opposition to this amendment.

If we are going to have a price-control bill we must provide the means of administering it. You may have some doubt in your mind as to whether price administration is wise or whether it is foolish. You may be opposed to price administration generally, but if we embark on this system then certainly we have to do it right. Personally I think the Appropriations Committee has cut this appropriation too much. I think that Mr. Henderson should have more money to administer this act, because the whole thing comes down to proper administration if it is to be a success.

When the price-control bill was before the Committee on Banking and Currency we all realized that the difficulty with an over-all price ceiling was the fact that there was not administrative personnel available at that time to administer the act. Therefore we reported a bill in which we favored a selective price control. Then events transpired so rapidly. Japan attacked us at Pearl Harbor and the war came on so quickly that we had to take so many steps so fast that it was necessary to put over-all price control into effect much sooner than anybody expected would be necessary.

Mr. Henderson has been faced with a terribly difficult problem to put the over-all price administration into effect all of a sudden, without adequate personnel to administer it.

In this appropriation all we are doing is giving him enough men to try to administer the act properly. I think the Appropriations Committee has cut this appropriation too much. I will admit that I may be one of the few Members of this House who thinks that Mr. Henderson is doing an excellent job on price administration. There has been a lot of complaint about him, but anyone who started in to try to do the job he has been trying to do would certainly have been

criticized all over the country by everyone and his sister and his aunt. It seems to me he has done a magnificent job up to date. I do not want to see him handicapped. I want to see him given a real opportunity. I think that inflation is the most serious menace that faces this country internally today and therefore I would like to see the Price Administrator given enough money so that he can administer the Price Control Act so as to curtail and eliminate the threat of inflation insofar as it is possible.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. KUNKEL. I yield.

Mr. CRAWFORD. Does the gentleman believe that if this Congress would give Mr. Henderson \$500,000,000 or \$1,000,000,000 that he could administer this act and prevent inflation in prices at the present time, under present conditions?

Mr. KUNKEL. I do not believe we can do it under the Price Control Act. I believe if the Congress takes the proper steps to give the functional controls necessary in addition to power over prices, then it could be done.

Mr. CRAWFORD. I agree with that.

Mr. KUNKEL. I do not believe we can completely control price rises; I think prices are going to rise, but I think we can keep them from going out of sight. We can hold them in line so they will not jump too much and too suddenly.

Mr. CRAWFORD. I think the gentleman is sound in that last statement, and that is what I have always wanted to see Congress do: Take the necessary steps so that an administrator could prevent a rise in the price level, but we have not done that, and Mr. Henderson repeatedly told us that he could not prevent inflation under the machinery we have given him. Why do we not give him the right machinery?

Mr. KUNKEL. I ask the gentleman from Michigan if he does not believe Mr. Henderson has done just as much as he could with the machinery he had available?

Mr. CRAWFORD. I think that is true. Here is today's headline "O. P. A. warns that subsidies alone can hold prices." Does not Mr. Henderson know that the granting of subsidies merely extends the powers of inflation and makes his job impossible? He ought to be economist enough to know that.

Mr. KUNKEL. The question is, Are you going to raise the ceiling of prices? Or are you going to give subsidies? Personally I favor giving subsidies in selected cases; for instance, I believe that the 2½-cent rise in the gasoline price along the eastern seaboard was wrong.

[Here the gavel fell.]

Mr. McCORMACK. Mr. Chairman, I wish to be heard on the amendment.

The CHAIRMAN. The gentleman from Massachusetts is recognized for 5 minutes.

Mr. McCORMACK. Mr. Chairman, my purpose in addressing the Committee at this time is to urge that we view the pending amendment from a rational angle and not to react to any of our personal feelings with reference to any indi-

vidual. As for myself, I have a high regard for Mr. Henderson. I think there is no question about the man's intellectual honesty, and there is no question about his sincerity. The fact is he has probably got one of the toughest jobs any man has ever had in the history of this country; certainly he has one of the toughest jobs any public official has during these trying days.

We have passed a law for the purpose of trying to control prices, to prevent, as the distinguished gentleman from Virginia has well said, ruinous inflation. Every one of us remembers what happened during the World War; every one of us remembers the aftermath of the World War, which was mainly due to uncontrolled inflation—the tremendous values of farm property during the war and then after the war the tremendous drop in value of the same property and the serious economic repercussions and dislocations that flowed therefrom.

I think the gentleman from Pennsylvania [Mr. KUNKEL] made a very fair statement a few minutes ago when he said he doubted if you could definitely freeze prices, but that changes from time to time might take place in connection with some kind of a subsidy. If we reduce this item to \$50,000,000, I am reliably informed it will be practically impossible for the office of price control to function. They will have a great deal of difficulty in functioning on the \$75,000,000 recommended by the full committee; and, by the way, the full committee cut down to \$75,000,000 the recommendation of \$95,000,000 made by the subcommittee. I am informed that the reduction to \$75,000,000 means that retail price control and therefore the cost of living is in serious jeopardy. Control over prices of services will be withdrawn, because virtually no staff has been recruited so far for this work. Facilities are not available for necessary rationing; there will be no rent control in 231 areas where rent control is necessary, involving 63,000,000 people.

Mr. KUNKEL. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. KUNKEL. If one item in the cost of living index is increased, this automatically increases the whole cost of living—the price of gasoline, for instance—it goes all the way through the whole price structure.

Mr. McCORMACK. There is no doubt about that. The problem that confronts Mr. Henderson is to try to keep the March 1 prices as long as he can, because if you change one then there is difficulty in restraining changes in the others, and all along the line.

The worst thing that could happen in this country and for us as Members of the House whether we are Republicans or Democrats is to have a sharp and ruinous increase in the cost of living. So, talking temperately, refraining completely from any discussion of personalities, refraining completely from a discussion of any emotional appeal, I hope the House sitting as the Committee of the Whole will view this question from the rational angle that it should. The \$75,000,000 appropriation is too small;

I agree with the gentleman from Virginia [Mr. WOODRUM] that it should be increased. Undoubtedly we shall have to make supplemental appropriations in the future, but certainly to reduce the \$75,000,000 appropriation to \$50,000,000 at this time would be given but one construction by the people throughout the country: That the House of Representatives is trying to punish an individual. I do not believe that you and I, no matter what our personal feelings may be, want to place this body in that position.

[Here the gavel fell.]

The CHAIRMAN. The gentleman from Michigan [Mr. CRAWFORD] is recognized for 5 minutes.

(Mr. CRAWFORD asked and was given permission to revise and extend his remarks.)

Mr. CRAWFORD. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD.

The CHAIRMAN. Is there objection? There was no objection.

Mr. CRAWFORD. Mr. Chairman, I take this time primarily to get a few questions straightened out in my own mind. They have to some extent been indicated by the interrogations that I have submitted to some members of the Committee. After having read Mr. Henderson's testimony, as printed in the hearings, questions arise in my mind. Is it worth while to spend approximately a quarter of a billion dollars annually in order to supply him with 90,000 paid employees, around whom he proposes to gather 2,000,000 volunteer workers throughout the country, establishing thousands of control boards, employing thousands of attorneys, hundreds of technicians, hundreds of economic advisers, together with the licensing of our people who are engaged in industry, and all the other things that go with it, when at the same time Mr. Henderson keeps saying to the Committee and saying to the public and saying to other committees of the House that he positively cannot prevent inflation unless certain other very fundamental steps are taken, among which are these: A stabilization of the wage question, enforced savings, enormous increases in the tax burden, subsidies, and other things not of such great importance. As I read this testimony seeking information, and as I talk with others, I wonder if it is worth a quarter of a billion dollars per annum to carry on such effort, facing a situation where the price level and the cost of living continues to rise, and where Mr. Henderson from time to time says it must necessarily continue to rise, unless these other things are done. I do pray that some day he will succeed in pounding into our heads that he cannot prevent inflation by the use only of the tools which the Congress gave him. He keeps emphasizing the fact that it is utterly impossible to do the job with the tools given to him thus far. Some day the people of this country will awaken to the shadow boxing in which we are participating and they will turn on those who are guilty with a vengeance.

Mr. SHEPPARD. Mr. Chairman, will the gentleman yield?

Mr. CRAWFORD. I yield.

Mr. SHEPPARD.* Did you find anything in the hearings that would illustrate to your satisfaction what type of attorneys he has appointed, and if so what the total amount is and how many of them have had practical experience that is going to guide the legal destiny of this bunch of satellites he has got there?

Mr. CRAWFORD. Not being an attorney, my opinion may not be worth very much except from a practical standpoint. That is this: I dislike for the industries in which I have a few dollars invested to be subjected to complicated rules and regulations issued by legal-minded men who have never had any practical or only very limited experience in the courts, or any practical experience in industry in connection with the operation of corporations, proprietorships, or partnerships. I believe that his legal staff consists mostly of inexperienced and generally young attorneys who are proficient in designing very complicated rules and regulations, but who are short on practical application at low cost and with great simplicity considering the questions and problems involved.

Miss SUMNER of Illinois. Mr. Chairman, will the gentleman yield?

Mr. CRAWFORD. I yield.

Miss SUMNER of Illinois. I have often wondered if those young men over there are exempt from the draft because of the fact that they are working in that organization?

Mr. CRAWFORD. I think that is a pertinent question to raise and I think it is one that the people of this country are entitled to have answered.

Miss SUMNER of Illinois. They certainly are.

Mr. CRAWFORD. As you study these hearings you will find that something like five or six commodities have been rationed. He proposes with these 90,000 paid employees to ration some 15 different groups. You will find the testimony shows that in Macy's store—pardon me for the advertisement—in New York City there are, I believe the record indicates, something like 160,000 articles listed in the merchandise inventory. If it is going to require \$210,000,000 to make an attempt to administer the price level on 15 groups of commodities, where will we land when we proceed to do the whole job effectively? Where will we land from the standpoint of dollar outgo? Where will we land from the standpoint of the building of a bureau such as our minds have never comprehended?

Now, let me go ahead with my question. If the efficacy of the effort is not worth while, then how can we justify even \$75,000,000 which I understand is roughly the amount that the committee has recommended? I do not intend to offer an amendment to strike out the \$75,000,000, but if under the 5-minute rule some better evidence is not submitted to this House I am not at all sure that I would not vote for an amendment to strike out the whole thing, because why should we so trifle with our people? I voted against the price-control proposal because I did not think there was in it a sincere effort being made to prevent inflation. And based on what has since

happened in the inflation of prices which we now are suffering I believe my action has been justified. I voted against it in committee. I voted against it on the floor. I voted against it when it came back on the conference report. I am still unconvinced that this half-hearted proposal will enable any administrator to do the job.

Let me state a few reasons involved in current procedure and proposals, why I believe the O. P. A. is destined to develop more in the way of quandries than in effectiveness as time passes.

The notion that rationing and price control can be used instead of appropriate fiscal policies seems to have dominated this whole procedure. It seems certain to lead to what is pointed to by Professor Fellner, of the University of California, in the current American Economic Review, as a very substantial and costly effort on the part of the Government which, as the monetary pressure increases for lack of sound fiscal controls, is virtually certain to fail in its task. Indeed, we who believe in democratic methods must undertake to maintain their inherently automatic efficiency by keeping policing activities down to that minimum which is indispensable for military activity. This requires control of the flow of money exchanges rather than of the distribution of goods by rationing and price controls. Otherwise we shall create conditions which will sooner or later give rise automatically to a cumulative upward movement of prices, certainly as soon as the arbitrary controls are relaxed. The implication is that unless we correct our fiscal policies we are in for an indefinite perpetuation of bureaucracy.

As the California writer puts it, the emphasis of a consistent anti-inflation program must be placed on taxation. But note this: Once the degree of taxation becomes sufficient we cannot expect the savings-bond program to cover any considerable proportion of the whole rate of expenditure; or rather, such nonbanking, popular loans to the Government can be substantial only if they are undertaken by means of depleting idle cash balances, in which event these savings-bond sales must fail of their purpose as a means of preventing inflation. In other words, to the extent that the public reduces its cash hoards or increases its borrowings from the banks while buying Government bonds or paying taxes, there is a lack of control over the active flow of money. Hoards, however, have their limitations, but bank credit as indulged when financing war has few limitations. Hence taxation, by obviating public borrowing, can definitely prevent the expansion of purchasing power so that other interacting influences, such as wage rates and the cost of living, will be prevented from boosting prices and thus the vicious spiral can be checked.

The fact is that the prosecution of modern war places an unlimited demand upon the productive capacity of the people and their equipment; this in order that the war may be brought to a quick conclusion with a minimum loss of life and property. There is a corresponding lack of limitation to monetary spending

except as it may be imposed first by the physical limitations on effort and available resources, and second by the need for preventing inflation. These limits have been tremendously broadened by modern mechanics and science. We can now scatter more resources to the winds or sink more of them in the seven seas than we could a decade ago; and the possibilities are pyramiding and with them the problem of maintaining some semblance of sound finance.

Of course, the so-called ordinary budget should be pared to the bone. But we must not deceive ourselves into thinking that this economizing can have any effect on the danger of inflation. Indeed, as the "silly old dollar sign" is set aside completely "for the duration," the more ordinary activity is curtailed, the more rapidly war measures come to the fore and create scarcities for consumption. Result: Rising prices and their tendency to bring about an increase in bank-credit inflation. This is, indeed, unimportant as contrasted with Treasury financing with bank credit; but it remains true that as long as we are at war we can do nothing effective toward preventing inflation by putting crimps in the budgeting of the administration's so-called social gains.

During the war, therefore, public control of the stream of money in civilian payments, which is where inflation develops, must hinge upon taxation. At best, sales of War Savings bonds serve only to lessen the rate at which credit is expanding in war financing. They certainly cannot reduce any inflation that has already occurred in the money supply. They are of dubious anti-inflation value as long as any appreciable amount of credit expansion is occurring in financing the war effort, either through the Treasury or through private financing of war contracts or other business, by the banks. In the long run, moreover, there can be no possible advantage in these cashable bonds as against hoarding the cash itself in preventing ultimate inflationary trouble.

The bizarre fiction of designating, as does Executive Order No. 8843, upon which Regulation W is based, as banking institutions every second-hand dealer who trusts his friends until pay day, can hardly be offered as an offset for heavy Government financing with bank credit. This curbing of ordinary credit, on installments or otherwise, can hardly be offered as anything but a curb on marriage, since would-be newlyweds must go unwed under Regulation W until they can pay cash on the barrelhead on most of their home and its furnishings. Such alleged controls are more or less of a smoke screen thrown around the failure to balance the war budget.

No sharper presentation of this tax difficulty has developed than that in Australia. There, the authorities have recently come to realize that the National Government was helpless to handle the financing of war without inflation unless it could have complete control of the taxing power. But the plan to bring the state premiers to surrender their taxing powers for the duration has twice been rejected by them.

This has led to a proposal which has the most serious danger of dictatorship or communism behind it, namely, the attempt to abolish the use of money and substitute a complete system of rationing. This has been proposed by no less a person than the director of the Queensland Bureau of Industry, Mr. Colin Clark, an oft-quoted British economist. Yet Mr. Roosevelt is still telling us that we need ration only scarce commodities. Need we remind him that during an inflation everything is scarce because no one can afford to sell anything for money? "Effective demand" then greatly exceeds effective supply; that is, the goods which are actually offered for sale.

Mr. Chairman, I think the Record should show that approximately 11 months ago, or to be exact, on July 29, 1941, this House received a message from the Chief Executive on this question of inflation and price control, asking for statutory authority to establish this agency. In due course the price-control bill was entered into law.

While the hearings were in progress on that bill, Mr. Henderson, who had been selected practically to be the administrator of this act, repeatedly notified the country and notified this Congress that he would be unable to prevent an inflation in prices under the tools which were set forth in the bill. In my opinion, he has time and again presented to the country a perfect alibi for his failure to do the job. It seems to me that we have had ample warning from him in particular and from these hearings which are now before us to the effect that we have no reason to assume that this job is going to be half done whether you give him \$50,000,000, \$75,000,000, \$161,000,000, or the \$210,000,000 requested originally. In my opinion, he cannot half do the job if you give him 250,000 employees and a billion dollars with which to administer this act.

Take your papers of today. You have your steel wage increase coming up. What will that do to prices? You have a statement published here in the Washington News today which says on page 14:

Price Administrator Henderson has notified congressional leaders price ceilings cannot be held at present levels unless subsidization legislation is enacted immediately.

In these hearings he warns you and warns you of the destructive effect of inflation and how imminent it is at the present time. The people of this country know that it is on the wing today, it is blossoming fully, and we as Congress sit here and play with this proposition and refuse to do the necessary, refuse to provide all the required tools with which to do the job. I think it is an insult to Mr. Henderson and his organization for us to lead our people to believe that he can do the job with \$50,000,000, or \$75,000,000, or any additional millions unless we do these other things.

So far as I am concerned, it is not a personality proposition, and I will not permit the majority leader to inject personalities into it so far as I am concerned. Henderson is perhaps as good as anybody you can get. But what right have we got to expect him to make a

success out of this? Why do we not face the issue on additional savings, on additional heavy taxes, and on additional stabilization of wage levels.

Unless we do much more than pass these appropriations, subsidies will, on the whole, only add to the difficulties of price control. For are we not developing a degree of monetary pressure, by inflationary war finance through numerous avenues of expansion of bank credit, that is highly discouraging to any genuine hope of success in the O. P. A.'s efforts at rationing and price control? And is it not obvious that the bill for subsidizing rising costs, to avoid the squeezing out of essential industries by O. P. A. ceilings that cannot be rolled back onto primary producers or wage earners, cannot but add seriously and progressively to the already unbalanced Budget and therefore to the extent of the increase in monetary pressure that is being engendered by the existing methods of financing these pyramiding deficits? Must it not be true, therefore, that subsidies will certainly defeat their own ends by increasing the budgetary deficit and therefore the extent of monetary pressure on prices? Would it not, then, be better actually to employ higher prices to curtail consumption rather than make deliberate use of fiscal methods that build up such excess purchasing power as is sure to create needless scarcities and black markets?

According to Mr. Henderson's publicly stated opinion our price controls are about to fail unless a system of subsidies is adopted promptly. But if these subsidies merely put the attempt at control in a worse dilemma by obviating the possibility of effective money controls, they are worse than futile. So long as subsidizing is only a way of paying for the war, it can bring no inflationary implications. But if subsidizing inflation is to be a method of preventing inflation, then we have got a brand-new idea in price control that is just too good to be true. What more vicious spiral could be devised?

I submit that inflation consists primarily of an excessive money supply arising in the form of bank credit under the conditions induced by that system of banking which is prevalent in practically all the nations involved in this war. High prices on goods that become scarce in war cannot of themselves induce any pyramiding of purchasing power. Rising prices would restrict, not expand, purchasing power, were it not for the reserve system of banking by which bank credit is always expanded to meet the needs of business, or, in war, of the Government.

Even while the administration and Congress is failing to place a tax adequate to the needs of the existing rate of spending, the Federal Reserve Board is practically forced to ask Congress for authority to reduce reserve requirements to permit the continued employment of inflationary bank credit in lieu of taxation as a source of public purchasing power. What hope can there be for control of inflation through O. P. A. under such a financial set-up? It ought to be suggested that Mr. Henderson's willing-

ness to resign should hinge upon an honestly and soundly conceived fiscal policy rather than upon subsidies that are inconsistent with the establishing of such a policy. That is the job for us to do. And I mean the Congress.

Mr. KUNKEL. Will the gentleman yield?

Mr. CRAWFORD. I yield to the gentleman from Pennsylvania.

Mr. KUNKEL. The gentleman has refused to give Henderson the functional controls that he has asked for.

Mr. CRAWFORD. Congress has. I have advocated it myself.

Mr. KUNKEL. I know the gentleman has, so have I. We have refused to give him the functional controls he wants. Now you are trying to take away the only instrument he has to try to enforce price control. I do not think you can enforce price control with just the price-control bill, I agree with the gentleman, but if you do not give him the materials to utilize to enforce price control, where is the man going to be?

Mr. CRAWFORD. If we do not provide the necessary other conditions then there is no use wasting the money. As pointed out in debate by a member of the Ways and Means Committee, you have this tax burden. We are in a war. There is only one job on earth ahead of me with which I am concerned, and that is to win the war in the shortest possible time, with the least loss of life and property. Let us get this war behind us and ignore these other minor issues. If, in order to prevent inflation, it is necessary to give him additional powers, let us give them to him and all regardless of the political consequences to us as individuals. Why should I be concerned about being reelected if the men in the front lines are not concerned with their lives? We might just as well get down to bed-rock. We will get nothing if we do not win the war. Let us cut out all foolishness as quickly as possible.

[Here the gavel fell.]

The CHAIRMAN. The Chair recognizes the gentleman from Texas [Mr. PATMAN].

Mr. PATMAN. Mr. Chairman, I ask unanimous consent to proceed for 10 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas [Mr. PATMAN]?

There was no objection.

WHO IS LEON HENDERSON?

Mr. PATMAN. Mr. Chairman, I am a member of the Banking and Currency Committee of the House that considered the price-control bill for 3 months. Mr. Henderson came before our committee in support of the bill. I had never seen him before that time. I had only heard of him. The reports were not all good. I know it was talked generally around this Congress and around Washington when he was given that tough job at first that he was not the kind of man that should be placed in charge of any great department. It was told here, and it has been charged on this floor by a good, honest, conscientious Member, that he was going under an alias. It has been told that he was an alien, born in Russia, with

a name as long as your arm, the last three letters being s-k-y. It was said that he came over here to try to change our form of government, that he was a Communist, that he belonged to Communist-front organizations. Every one of you knows those charges were made. Therefore the Committee on Banking and Currency could not have thought very favorably or kindly toward that kind of man.

Do you know that we have learned that every one of those charges are untrue, notwithstanding the fact that some people insist upon telling them throughout the length and breadth of this land? Is he an alien? The first Henderson member of his family came over here more than 200 years ago. A Henderson has been in every war that this country has ever fought. Capt. Leon Henderson himself rendered distinguished service during World War No. 1, and at least one Member of this House served with him. Therefore he is not an alien. He worked his way through school the hard way. His Scotch-Irish grandmother on his mother's side made him go to school. He worked his way up. He is a man that you should be proud of if you knew his life and knew his background. A story of his life would read like a Horatio Alger story.

Mr. Chairman, you have often heard that ministers' sons are bad.

Leon Henderson is the son of a Methodist minister. I do not know of many Methodist ministers' sons who are Communists. Maybe there are some, but Leon Henderson is not. He is not as good as the best son of a minister, nor is he as bad as the worst, but he is as smart as any minister's son who ever lived in this country, and I believe every member of the Committee on Banking and Currency will say that I am telling you the truth about that.

Is he a Communist? He started out with Woodrow Wilson in the Democratic Party and helped to organize the State of New Jersey for Woodrow Wilson for Governor of that great State, and later helped to elect him President of the United States. He has been a real, loyal, true Democrat ever since. That does not sound like communism. The charge that he belonged to Communist organizations is absolutely untrue.

Further, I am a member of a great fraternity. More than 50 percent of the Members of this House are members of that fraternity. I refer to the Masonic fraternity. He is a Mason. You do not see many Masons who are Communists or trying to break down our form of government.

That is the truth about Leon Henderson, regardless of any whisperings or statements to the contrary that are made throughout this land. You know a lie has no legs and cannot stand, but it has wings and will fly far and wide. Lies about Leon Henderson have flown over the country, but they could not stand because they had no foundation.

Therefore I changed my mind about him. I was compelled to because I was convinced that he was an honest, conscientious man. I believe the members of the Committee on Banking and Currency, without exception, will tell you

that he was as smart a witness as ever appeared before that committee and knows more about more different things than any man I have ever heard testify before a congressional committee or in a court of justice.

The name of Ginsburg was mentioned here. Yes; David Ginsburg is the general counsel, and I have never known a smarter attorney or a more courteous one than David Ginsburg. He has as much information at his fingertips as any lawyer I have ever known. Why criticize him? No one could do a better job in his place.

You have an able man in charge of price administration. Congress gave him that job. It is a tough job. It is a job that no man will ever be popular at if he enforces it. You gave it to him—224 Members of this House. Did you select him? No. The President had the right to select him; we did not have that right. He was selected in the legal, constitutional way. Then he was confirmed by the Senate. Two Senators from your State voted for him. He was unanimously confirmed by the United States Senate.

Who are we to say that he is not qualified? He has been appointed in the right way and he has been confirmed according to constitutional methods. Why should we now say he is not qualified? No man makes the charge that he is not qualified, no man makes the charge that he is incompetent. Some of his ways are not liked. I do not like some of his ways myself, but I do know that he is a man who will get the job done.

What is this job? It is one of the most important jobs outside of the job of Chief of the War Production Board and the job of Commander in Chief that there is in the United States during this war. It is the job of keeping that dollar worth a dollar. It is the job of making that \$50 you are giving the private soldiers worth at least \$50 from now on. If you vote to give the soldiers \$50 and then do not protect them on prices, it will not be long until that \$50 will not buy half dozen packages of cigarettes. The dollar will not be worth 5 cents.

I am known in this country as an inflationist. I have been branded as an inflationist almost ever since I have been here. I do not think the charge was true. I know it was not true, yet it has been talked about that I am an inflationist. The charge was made that I was trying to wreck the country by paying a \$2,000,000,000 honest debt to the veterans of World War No. 1. Time and subsequent events have proven that the charge was unfounded. Yet if any of you believe I am an inflationist let me warn you now that we are facing the most ruinous inflation this country has ever faced. If immediate and effective steps are not taken at once, if every step that can be taken is not taken, the people who are on pensions, who are on retirement benefits, who are working for wages, or are dependent on insurance, fixed salaries, fixed dividends, or fixed interest, or limited incomes, will have everything taken away from them through inflation. We

do not want inflation in this country, and we can have it almost overnight.

You can have inflation without putting too much money in circulation. You can have inflation with velocity of money. You do not need volume. Velocity will do it. We now have both volume and velocity.

Unless you fix the prices on these scarce materials and scarce commodities and articles, the velocity of money will make them go sky high. I say to you it is absolutely necessary now that we take every step, and every effective step, to stop inflation.

Since we have voted this price-administration law, and since Mr. Henderson has been given the job and has been confirmed according to constitutional ways and methods, should we try to hamstring him, hinder him, and block him by not giving him enough money to do the job well? I do not think that is a good way to do it.

The Bureau of the Budget has estimated that he needs \$161,000,000. To say that he needs less is, in a way, directly or indirectly, an attack on the Budget. I do not mind that so much. I often vote against the Budget, and I am not caring about that. But there is just one other point. We have given the President the power and charged him with the duty of seeking a man who will stop inflation through increased prices. Now, should we back up that President; should we back up that man he has entrusted with that job? If so, why not give him the \$161,000,000? If we do not do it, where will the responsibility be? The responsibility comes right back upon the shoulders of the Members of Congress. If this job fails, we are responsible for it because we are failing to cooperate in enforcing the very law that we passed and placed on the statute books of this country. Are we going to do it? Is it not too much like voting for something and then voting against the taxes to raise the money to provide it?

Mr. KUNKEL rose.

Mr. PATMAN. I hope the gentleman will not insist upon my yielding right now.

Mr. KUNKEL. I just want to ask the gentleman a question.

Mr. PATMAN. All right, go ahead.

Mr. KUNKEL. I will put myself on the spot before I put the gentleman on the spot by saying that if I had to appoint a price administrator I cannot think of anybody who would be better to appoint than Leon Henderson. Does not the gentleman agree with me?

Mr. PATMAN. I agree with the gentleman, and you cannot find some timid "milk toast" person who would be worth anything as administrator of a law like this. It takes a two-fisted man like Leon Henderson to do it, whether we like it or not.

I listened here last night to a lot of charges made against the personnel in the Office of Price Administration. Well, out of 7,500 people I suspect some mistakes were made. The law of averages has not been repealed and never will be, and the law of averages will give him a few mistakes, but you cannot indict the

whole organization because a few whom you consider are not the right kind of people are appointed. But let it be said to the credit of that Office that every one of the people employed by the Price Administration was passed upon by the Civil Service Commission, composed of two Democrats and one Republican, and if there is anything wrong about that method, or if the Democrats do anything wrong, the Republican can speak out. If the Republican is doing anything wrong, the Democrats can speak out. The Civil Service Commission passed upon everything along this line that Leon Henderson has done.

An effort is now being made to enlist the cooperative help, the voluntary help of 2,000,000 people in our country, in our local cities, precincts, counties, and States. You know what those local people will tell you. They will tell you, "I do not mind giving my time, but I think my actual and necessary expenses ought to be paid. In addition to that, I think you ought to have some paid help here," as the gentleman from Virginia [Mr. Woodrum] has said, "to answer the inquiries of people who will come here from daylight until dark," and if you do not have that money to provide the extra help and those expenses, the applicant is going right back on Congress for passing a law and refusing to provide the money to enforce the law.

As to everyone who votes that way, I believe his constituents will feel that he should at least have voted in a way to carry out the very law that he helped to place upon the statute books.

I know the charge has been made that there are 5,000 lawyers or some number like that—I do not know just how many—but they can say 10,000 or 50,000, and what does that mean? You could have 50 and what does that mean? The Budget passed on it, and they said they were necessary. I do not think the Budget would try to pad this pay roll with lawyers. The work requires a lot of lawyers. It involves 1,800,000 articles and commodities, including grades and styles, and whenever your constituents want an answer to an inquiry they want it now. They do not want to have to wait 6 months. If you cut down the lawyer personnel to where you do not have people to answer these inquiries and intelligently cooperate with the people in the local districts, you are not going to get any support and cooperation locally in the enforcement of this law.

Let me say to you, my friends, let us give the Administrator the money that he needs, the money that the Budget has said is necessary, and then hold him responsible if he does not enforce this law. Let us at least give him that money.

A vote for this Taber amendment is a vote for ruinous inflation. If you want ruinous inflation in this country you would take the longest step that has ever been taken by voting for this amendment offered by the gentleman from New York.

Mr. SACKS. Mr. Chairman, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman.

Mr. SACKS. Is it not true that over 90 percent of the newspapers in this country were in favor of the price-control set-up and if we do what is proposed in this amendment we are absolutely undoing at this time what we did in the passage of this act and we are voting against what the people want?

Mr. PATMAN. Absolutely, and instead of crippling the enforcement of this law, let us hold it as it is, enforce it 100 percent, and then increase its effectiveness by passing more laws to stop inflation. May I suggest to my friends on the Republican side of the aisle—and they are my friends—if you vote to cut this appropriation to \$50,000,000 you will be voting for inflation, ruinous inflation, and your action in that respect will be just as injurious in time of war as the isolationist attitude of some of your members before Pearl Harbor.

If the appropriation remains at \$75,000,000, the consequences will be terrible. It is thought that we should not attempt to raise the amount above \$75,000,000 in the House because the whole Appropriations Committee would be obligated to oppose the increase. But after the Senate raises the amount, as we hope the Senate will, then we can make an effort to get the increase accepted in the House.

CONSEQUENCES OF THE PROPOSED HOUSE CUT IN
THE O. P. A. BUDGET

First. O. P. A.'s estimates of Budget requirements for the next year were originally around \$210,000,000. The Bureau of the Budget cut this to one hundred and sixty-one million. The House Appropriations Subcommittee cut this to ninety-five million. The House Appropriations Full Committee cut this to seventy-five million. This means simply and starkly that O. P. A. is cut below its present authorized operating staff.

Second. O. P. A. has presently about 38,000 employees, more than 20,000 of whom are clerks for the War Price and Rationing Boards. There are presently about 6,270 people in the Washington office and about 11,000 in the regional, State, and district offices. The proposed House appropriation means a cut of about 5,500 employees from the present authorized staff.

Third. Every branch of O. P. A. is working overtime and is behind in the prompt handling of work important to American industry and consumers. The local board situation is critical. They are operated by volunteers who have been frantically asking for clerical help. Unless that help is forthcoming, these volunteer boards will break down.

Fourth. This is the measure of O. P. A.'s job: The general maximum price regulation applies to about 1,800,000 retailers and is just getting under way. On July 1, a comparable regulation for service industries becomes effective, affecting 650,000 service establishments. Adjustments under both these regulations must be made if equity is to be done; it is impossible to handle them from Washington. The severe curtailment of consumer goods clearly indicates about 10 additional major rationing programs ahead. The projected rent program calls for the establishment of rent control in 366 rent areas; rent regulations

have been issued for only about 75. In order to give quick service to retail and service establishments, and to consumers on rationing and price problems, 230 district offices throughout the country were projected. Only a few of these have so far been set up.

Fifth. The proposed cut means that retail price control and, therefore, the cost of living is in serious jeopardy. Control over the prices of services will be withdrawn, because virtually no staff has so far been recruited for this work. Facilities are not available for necessary rationing. There will be no rent control in 231 areas where rent control is necessary, involving 63,000,000 people. This protection against inflationary rents was authorized by the Price Control Act. The elimination of district offices means that business people who have to deal with O. P. A. on rationing and price matters will have to travel to State or regional offices; they will have no service within their own community. In addition, and perhaps most serious, the proposed decentralization and local handling of rationing and price problems by volunteer boards faces almost certain collapse or drastic reduction in the number of programs assigned.

Sixth. Printing, in this context, would seem to be relatively unimportant. Yet the proposed cut means that O. P. A. will not even be able to furnish those who are subject to its regulations with copies of the regulations involved.

Seventh. Briefly, the proposed cut means that the whole program of O. P. A.—stabilizing the cost of living, safeguarding appropriations—faces certain deterioration under the present proposed limitations. Comparison of the O. P. A. work loads with other agencies is almost impossible. No other Government agency has undertaken to deal continuously with 130,000,000 consumers, with almost 3,000,000 business establishments, and with several hundred thousand landlords.

O. P. A. has not one but three programs—price control, rationing, and rent control. The Budget Bureau's proposal of \$161,000,000 was conservative, and would probably result in severe cuts in the rent-control program.

Mr. WOODRUM of Virginia. Mr. Chairman, I would like to see if we can agree upon time on this amendment.

Mr. Chairman, I ask unanimous consent that all debate on this paragraph and all amendments thereto close at 4 o'clock.

Miss SUMNER of Illinois. Reserving the right to object, Mr. Chairman, I would like to ask how many amendments that would include. I have an amendment and I would like to have 5 minutes on it.

Mr. WOODRUM of Virginia. The request just includes debate on the Office of Price Administration.

Miss SUMNER of Illinois. My amendment is on that, and I would like to offer the amendment. May I inquire how much time each one of us will have if the gentleman's request is granted?

Mr. WOODRUM of Virginia. Mr. Chairman, I revise my request to apply to this particular amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Virginia?

Mr. HOFFMAN. Mr. Chairman, I reserve the right to object, and ask the gentleman from Virginia whether he thinks it is fair, after the gentleman from Texas [Mr. PATMAN] has had 15 minutes, to shut off some of the rest of us?

Mr. WOODRUM of Virginia. I am not shutting off anybody. We have been discussing this now for an hour and 15 minutes. The gentleman cannot say we have not been fair. We have to finish this bill tonight, and we were compelled last night to sit very late.

Mr. HOFFMAN. Then why did not the gentleman cut 10 minutes off the gentleman from Texas?

Mr. WOODRUM of Virginia. I think if we discuss this amendment for an hour and 45 minutes, that it will be pretty well discussed.

The CHAIRMAN. Is there objection to the request of the gentleman from Virginia?

Mr. CASEY of Massachusetts. Mr. Chairman, I noticed that there were 15 Members standing, and if each Member is allowed 5 minutes—and I think I should like to have 5 minutes—that would entail a debate of 75 minutes. I would have no objection to that.

The CHAIRMAN. Is there objection to the request of the gentleman from Virginia?

Mr. CASEY of Massachusetts. Mr. Chairman, I object.

Mr. WOODRUM of Virginia. Mr. Chairman, I move that all debate upon this amendment close at 4 o'clock.

The question was taken, and the motion was agreed to.

The CHAIRMAN. It is very important that the Chair should know those who are entitled to this recognition. The Chair will read the list of names he has had taken down who desire recognition: Miss SUMNER of Illinois, Mr. VAN ZANDT, Mr. CLASON, Mr. SMITH of Ohio, Mr. COLE of New York, Mr. CASEY of Massachusetts, Mr. COOLEY, Mr. SACKS, Mr. VOORHIS of California, Mr. ELLIOT of Massachusetts, Mr. COFFEE of Washington, Mr. SABATH, Mr. BARDEN. Were there others who were seeking recognition whose names do not appear on that list?

Mr. MURRAY. Mr. Chairman, I was on my feet from the beginning.

The CHAIRMAN. The Chair requests all those who desire recognition, whose names the Chair has not called, to remain standing. The gentleman from Wisconsin [Mr. MURRAY] and the gentleman from Michigan [Mr. HOFFMAN]. The Chair observes no others.

Mr. COLE of New York. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. COLE of New York. Does the motion just adopted limit debate only to the pending amendment or to other amendments?

The CHAIRMAN. To the pending amendment.

Mr. COLE of New York. Then the Chair may strike my name from the list.

Mr. VAN ZANDT. Also my name may be stricken from the list.

Miss SUMNER of Illinois. Also, Mr. Chairman, my name may be stricken from the list.

Mr. WOODRUM of Virginia. Mr. Chairman, I ask unanimous consent that the gentleman from Massachusetts [Mr. CASEY] be permitted to close debate.

The CHAIRMAN. Is there objection? There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from North Carolina [Mr. COOLEY] for 3 minutes.

Mr. COOLEY. Mr. Chairman, it amazes me when I realize that the gentleman from Texas [Mr. PATMAN], who has just made such a vigorous speech against inflation, is the same Mr. PATMAN who sponsored the Patman bonus bill during my first term of Congress, and on that occasion expressed views so contrary to those he has expressed today. I am sure that the gentleman is now afraid of inflation, but I am frank to say that I cannot become greatly disturbed over the fear of inflation when I realize that cotton is selling at 18 cents a pound and wheat is selling in the market places at only 80 percent of parity.

I voted against the price-fixing bill. I have not changed my views on the subject, and I suppose that I could on this occasion very consistently vote against any appropriation for the Office of Price Administration. I have no personal grievance against Mr. Henderson or any other person connected with the Office of Price Administration. I stated on the floor of the House at the time the price-fixing bill was being considered, and I reiterate now, that no man has ever been born who can safely be trusted with the powers which Mr. Leon Henderson is now wielding over the lives and destinies of the people of the Nation. He now has the power of economic life and death over every businessman and business in the Nation, and he is reckless and ruthless in the exercise of that power. He has not exercised the power vested in him as contemplated by Congress in the measure which conferred those powers upon him. He has an advisory committee, but on at least two occasions I have heard him admit before committees of Congress that he has issued very important orders without even calling his advisory committee together, and no reasonable excuse was offered by him for having failed to confer with the members of his advisory committee. It appears that he issues orders without first being in possession of all the material and pertinent facts and without giving due consideration to the far-reaching effects of such orders.

The people of this country want to know and they have a right to know the true facts. Unfortunately, the people of the country do not even now know that there is a shortage of sugar, a shortage of gasoline, or of rubber, or of any of the other critical materials which have been rationed. The truth is, the people do not believe that there is a shortage of sugar, or gasoline, or that there is any excuse or justification for the recent order advancing the price of gasoline 2½ cents per gallon on the eastern seaboard. Sugar refineries are closing down, not because they do not have raw sugar to refine but because of a lack of storage space.

There is an abundance of gasoline in sections of the country in which gasoline is now rationed. New automobiles and other motor vehicles have been frozen in the hands of dealers and thousands of new cars and trucks are now stored out in open pastures and fields, without any covering over them to protect them from the weather. Even though thousands of new cars have been frozen, and even though used-car lots of America are jammed and packed, there is still talk around Washington of the imminent possibility of the Government's commandeering privately owned automobiles. If the Government needs automobiles and trucks why does it not use the new cars and trucks which have been frozen, or at least resort to the used-car lots of America for the purpose of filling its needs, before talking about commandeering privately owned motor vehicles?

Again I repeat, the people want the truth and they have a right to know the truth. If I knew that the money appropriated for the Office of Price Administration by this bill would be spent for the purpose of ascertaining the truth and passing it on to the people of the Nation, I would not hesitate to vote for this particular appropriation. If the people of America knew the truth it would not be necessary to employ so many investigators and prosecuting attorneys.

Time will not permit me to discuss the various phases of the work of the Office of Price Administration but we now know that it is nothing more nor less than economic dictatorship in all of its far-reaching ramifications. If it is necessary, that is one thing. If it is not necessary, it is quite a different thing. The people do not believe that it is necessary, and I, frankly, do not believe that any of the authors of the price-fixing bill believe that inflation will be prevented or even controlled by Mr. Henderson and his organization. At any rate, if the national debt goes to two hundred and fifty or three hundred billion dollars, as some well-advised persons predict, how in the name of high heaven will we ever pay the national debt unless the income of the American people is permitted to increase greatly? You can talk all you want to about inflation and the high cost of living, but compare the prices which farmers are now receiving with the prices which farmers are now paying for the things they buy. Think of the increase in the price of farm labor, and remember that cotton is still selling at 18 cents a pound. Certainly, it is a serious situation. Yes, it is a serious situation when an agency of the Government is authorized by Congress to tell your wife how short her skirt must be and to design the pants which must be worn by the men of America.

How far is this thing going, anyway? Just listen to this Associated Press news dispatch:

WAR PRODUCTION BOARD LIBERALIZES RULES ON WOMEN'S LINGERIE

Orders establishing specifications for women's and children's lingerie were amended by the War Production Board today to exempt lingerie for maternity wear.

In addition, double-material yokes will be permitted on flannelette gowns and pajamas,

providing increased warmth for those winter-time garments. Wider and longer measurements on evening slips were allowed.

Today's order also will permit use of ruffles on two-seam garments in children's sizes 3 to 6, and girls' sizes 7 to 14.

So, we are told that little boys under 6 years of age can still wear ruffles but little girls over 14 years of age will not be permitted to wear ruffles. Now, I ask you just why are not little girls going to be permitted to wear ruffles? It does not apparently make any difference whether the ruffles are made of wool or rayon, nylon or cotton, the little girls just cannot wear ruffles, that is all, and nobody seems to know why.

[Here the gavel fell.]

The CHAIRMAN. The gentleman from Massachusetts [Mr. CLASON] is recognized for 3 minutes.

[Mr. CLASON addressed the Committee. His remarks will appear hereafter in the Appendix.]

The CHAIRMAN. The gentleman from Pennsylvania [Mr. SACKS] is recognized for 3 minutes.

Mr. SACKS. Mr. Chairman, as one of the members of the Committee on Banking and Currency which established the policy of control of inflation, I have not always agreed with Mr. Henderson upon some of the actions taken by his organization. However, I sincerely believe that it is necessary in order to prevent ruinous inflation that we do something at this time to carry out the provisions of that act.

I have been informed that it is necessary to have even more money, as the chairman of this committee told you today. I feel that if we vote to cut this sum of money to \$50,000,000 we might as well tell the people of America that we do not believe in the act which we passed and we do not want it enforced, and let prices run away with themselves. That is a serious problem. America is facing a great crisis. We are being attacked by one of the most powerful tyrants this world has ever seen, yet we come here not caring what happens to the economy of America, and we fight about how much money is necessary to operate. This is a large country. Many businesses are involved. One hundred and thirty million people are involved. We talk about \$50,000,000 for enforcement. Mr. Chairman, this is a problem that affects the morale and the home front. America must keep up that morale. If we allow run-away prices, uncontrolled rents, the morale of the American citizen—the worker who is producing the materials and the sinews of war which our boys need on the battle front—will be seriously hampered in our war effort.

I do not know of a country in Europe today—and this was testified to before our committee also—that has not controlled inflation. If we do not control inflation in this country I say to you now that America will be in a serious condition on its home front.

[Here the gavel fell.]

The CHAIRMAN. The Chair recognizes the gentleman from Massachusetts [Mr. ELIOT] for 3 minutes.

(Mr. ELIOT of Massachusetts asked and was given permission to revise and extend his own remarks.)

Mr. ELIOT of Massachusetts. Mr. Chairman, if we adopt this amendment, if we even stick to the recommendation of the committee the following results among other things will ensue: First, all the local rationing boards will be without any clerical help. As a result they will be unable to function. We are forced to rationing in many commodities, yet we are making it impossible to carry it out.

Second, retail price control will virtually be impossible, and price control in the service industries will be completely impossible because people have not yet been recruited for this work.

Third, rent control will be impossible. Those of us who have friends, or have houses, in the District of Columbia know how at times of overcrowding rents can go up out of sight. We know the need for action, yet we are deliberately tying the hands of the Government in this field.

Fourth, there will be no money for the printing of regulations to put in the hands of everyone affected by those regulations, and people will have to travel long distances and ask many questions instead of being informed of their duties and obligations under the law.

The gentleman from New York [Mr. TABER] spoke of growing resentment against snoopers. Mr. Chairman, I feel that the resentment against this Congress will know no bounds if by niggardly action now we are promoting the march of inflation by making the Price Control Act unenforceable, a farce, and a sham. [Here the gavel fell.]

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. VOORHIS] for 3 minutes.

Mr. VOORHIS of California. Mr. Chairman, the importance of the enforcement of this act is not that it simply be enforced, but that it be enforced fairly. In order for it to be enforced fairly, if we have any real shortages of consumer goods, as we are bound to have, and do not have adequate enforcement machinery, what will happen will be that it will be to the interest of both the well-to-do consumers and the sellers to violate the law, and those scarce goods will get into the hands of people who have a sufficient amount of money to buy them. Other people, those with fixed incomes, our older people, many farm people, and low-paid workers will just go without. That is point number one. Without some sort of program of control what would the price of gasoline be right now here in Washington? And who would get the limited supply of gas when a shortage occurs? Obviously those with the most money, not those who necessarily need it most.

In the second place I want to show the House, if I can in the short period of time at my disposal, what the job is that the Office of Price Administration is supposed to do. I shall preface it by saying that in my opinion there is much in what the gentleman from Michigan [Mr. CRAWFORD] had to say this afternoon. Assuming that we shall spend \$60,000,000,000

on the war in the coming year, and I think we shall—at any rate we are going to try to—the degree of the job of the Office of Price Administration is precisely equal to the difference between \$60,000,000,000 on the one hand and the amount collected in taxes plus the amount of bonds sold to individuals for real money that they give up to buy them on the other. What I mean is this: if we do raise \$27,000,000,000 in taxes and if we do succeed in selling \$12,000,000,000 worth of war bonds to individuals—not banks that create the money with which to buy them, but to individuals who give up some of their money, we shall then have withdrawn \$39,000,000,000 to pay our \$60,000,000,000 war bill with. But there will remain \$21,000,000,000 in the hands of the people which they will wish to spend on goods of one kind or another. But the goods will not be there because the entire \$60,000,000,000 represents war equipment, not things people can buy or use. This \$23,000,000,000 will be a great pressure on the market. In the absence of either the passage of measures to fundamentally prevent price inflation or the implementing of this Office of Price Administration, it is, I am afraid, quite certain that some prices, especially those controlled by monopolies, will go sky high. It is utterly irresponsible to hamstring the O. P. A. unless you are going to courageously do the other things that are necessary to prevent advantage being taken of the American people in this completely abnormal war economy in which we find ourselves. That is the picture. If we tax more vigorously; yes. If we had a program of compulsory saving—and I am one of the people who believe we are going to have to have such a program, if we could stop the borrowing of money from banks which create new demand deposits with which to buy the bonds we might affect the situation very markedly. But we have not done those things, and until we do, Mr. Chairman, indeed the gentleman from Texas [Mr. PATMAN] is a hundred percent right when he says the Congress will be doing a very wrong thing if it withholds from the Office of Price Administration, which has been given perhaps the hardest and most unpopular of all civilian jobs, sufficient money to do its job. That job must be done better than has been the case up to now I believe. Certain mistakes must be corrected, but denying funds for an adequate staff is a step away from, not toward, that goal.

[Here the gavel fell.]

The CHAIRMAN. The Chair recognizes the gentleman from Wisconsin [Mr. MURRAY] for 3 minutes.

Mr. MURRAY. Mr. Chairman, I am in favor of reducing this O. P. A. appropriation for the following reasons:

First. The evidence to date does not justify the expansion of one-man power.

Second. This is too much power for one man. We should revamp this Office and give the powers delegated to public men without partisan consideration and in whom the people have some confidence.

Third. Just because England or Germany has to follow rationing there is not any sense to try to ration commodities in

a country that has a surplus of the commodity. I think most people prefer even inflation than too much Henderson and too much starvation.

Fourth. If anyone of us here had 1 percent of Henderson's power, we could reduce the milk bill of our cities by 25 percent.

Fifth. If people of the big cities complain about food prices, why do they not remove the trade barriers around their own cities? We can follow the President, establish a parity ceiling as he suggests, and if additional food products are needed, they can be secured by incentive payments to the producers of our country.

Sixth. This is not the time to promote arrogant bureaucrats whose ego overshadows their common sense.

(Mr. MURRAY asked and was given permission to revise and extend his own remarks in the Record.)

The CHAIRMAN. The Chair recognizes the gentleman from Washington [Mr. COFFEE] for 3 minutes.

(Mr. COFFEE of Washington asked and was given permission to revise and extend his own remarks in the Record.)

Mr. COFFEE of Washington. Mr. Chairman, I am oppos to the Taber amendment. Just by way of introduction, I would remind the Members of the House that the incident cited by the gentleman from North Carolina [Mr. COOLEY] refers to the War Production Board and has no relation whatsoever to the Office of Price Administration, that regulation having to do with ruffles upon young girls' garments and lingerie. So I suggest that we confine our objections to the O. P. A. to matters directly dealing with or stemming from that Bureau.

Leon Henderson has his faults. So have we all. I know him rather well. He is human, finite, fallible, as are all God's creatures. He is a driver—a man who has fire in the flesh. He believes thoroughly in the principle of limiting prices as a counterirritant to inflation. He is carrying out the will of the American people and the statutory mandate of this Congress. Granted that his regulations impose rather painful restrictions on certain groups, I know every Member of this Congress has received numerous objections and remonstrances from individuals representing farmers, consumers, and business organizations. But we are in a war. As the French say: *c'est la guerre*. The answer that the French always gave in the last war was *c'est la guerre*. Of course, that is not a satisfactory explanation to offer anyone, but we have to win this war, and in order to do it we are compelled inevitably to tread upon the toes rather heavily of relatively isolated categories in order to hold the prices down for the vast majority, the consumers of all the Nation.

I agree with the brilliant gentleman from Virginia [Mr. WOODRUM] in his statement that the amount we have granted is not even sufficient or effective for the efficient administration of the Office of Price Administration; accordingly, certainly, Mr. Chairman, we should not reduce it still further. We may have some grievances against the Administrator because of appointments made in our respective districts or because of

some remarks made by certain foolish subadministrators. The liberty-loving and often hedonistic people are frequently indignant at being shoved and pushed around. In the Office of Price Administration there have been some individuals, some loquacious subordinates of Mr. Leon Henderson, who gave utterance to tactless and ill-considered pronouncements, but in setting up an enormous organization of that character there are bound to be a few functionaries of that type who will creep in; however, we must not allow our attitude toward the whole organization to be befogged, prejudiced, or tainted by our antipathy to certain minor bureaucrats who adventitiously make these provocative challenging assertions and press releases apropos of the rubber shortage and anent how the public must submit. The O. P. A. has growing pains in its adolescent stage. It will soon mature.

We have a bold and invincible driver in Mr. Leon Henderson; we have in him a man who possesses tremendous ability, dynamic energy, and t. r.acious courage; in my judgment one of the most brilliant men in Government service.

I hope the House will vote down the Taber amendment.

If price increases were allowed to continue and if these prices followed the pattern of World War No. 1, our actual direct war costs would be increased \$62,000,000,000 during the next 20 months on the basis of appropriations already made.

Henderson took the job realizing he might become unpopular if he did what was necessary. After all, what sort of a fellow do we want for Price Control Administrator? A hail fellow well met, or somebody who faces the issues by defending public interest?

Price control is a serious business. It has been proven that stringent measures are necessary. Every law requires enforcement, otherwise it becomes a laughingstock and worse than useless.

Prices in the World War No. 1 soared to dizzy heights, and now we find Mr. Baruch, who did the job last time, telling us we have not acted quickly enough nor gone far enough.

To date on actual war purchases the savings, because of price control, total \$6,000,000,000.

Price control is vital to the war effort. The public will not forgive Congress if it frustrates price control by telling them enforcement was not necessary.

A large part of the O. P. A. appropriation is for administration and enforcement of rationing. There is much confusion as to the locus of responsibility for rationing policies. The power to ration has been voted by Congress as a part of the Priorities Act and has been entrusted to the President. The President has delegated this power to the War Production Board, and that is where the responsibility of determining what articles need to be rationed rests. The O. P. A. is the administrative agent of W. P. B. by assignment of this function by W. P. B., but because O. P. A. is in direct contact with retailers and consumers it was thought wiser, simpler, and more economical to have rationing administered by O. P. A. rather than by an independent agency under W. P. B.

The hearings regarding the O. P. A. introduced comparative statistics on the administrative personnel of similar agencies. From these statistics we learn that in the first World War, when we had no rationing and when most of our price control was administered without a statute—only food and fuel administered by statute—some 11,000 paid personnel and 24,000 volunteers were required. Great Britain today, with about one-third our population, has nearly 40,000 employees for price control and rationing.

We are just getting into the irritable stage of the war when shortages and controls are beginning to pinch; our tempers are starting to react accordingly. We should not let these momentary irritations determine our legislative policy or to develop a breach between the legislative and executive branches, a breach that can only serve the interest of our enemies.

We cannot afford to let prices reach levels where only the wealthy can buy our limited supplies.

We still have many poor people, or people on substandard incomes. The figures for the first 6 months of this year indicate the upper 10 percent of our people received 41 percent of the national income. In other words, 90 percent of our people received only 59 percent of the total income.

The CHAIRMAN. The Chair recognizes the gentleman from Michigan [Mr. HOFFMAN].

(Mr. HOFFMAN asked and was given permission to revise and extend his remarks in the RECORD.)

Mr. HOFFMAN. Mr. Chairman, there has been no evidence presented to the committee that Mr. Henderson is either physically or politically ill and the eulogy delivered by the gentleman from Texas [Mr. PATMAN] gave us no information as to how this price-control legislation is working. As to the political aspect I am not greatly concerned, because I doubt very much whether the influence that can be exerted by 66,000 or 660,000 enforcers of the law will be able to overcome the resentment that will be created by their own activities. The thing that disturbs me is how long will it be before we will really begin to try to prevent inflation by partial price fixing.

My colleague from Michigan [Mr. CRAWFORD] stated the situation quite clearly. If memory serves correctly, the President told us that we needed price fixing to prevent inflation, and he gave us seven points that we must adopt before that objective could be accomplished. One of those was stabilization of wages. He stated in no uncertain terms that if we were going to prevent inflation we would have to adopt a price ceiling. He said, too, that you would have to keep farm prices down. The administration seems to be doing that very successfully; very successfully. I think that while they are doing that, they are forgetting that, after all, all the things come from the ground in the first instance. But they are not making any effort at all to stabilize wages or put a ceiling on them.

We read today that a war board panel has recommended a dollar-a-day increase in steel. Very well. The ques-

tion is coming up shortly as to the increase in Ford's plant. Do not forget that every dollar of profit made by the Ford Co. is going back and will go back to the United States Government, so the dollar a day will come out of the taxpayers and not out of the Ford Co. You are not skinning Henry Ford out of 1 cent, but that board is adding to the war cost and is putting more money into circulation and is encouraging inflation.

If you want to follow the leadership of your President, as you so often tell us we must do, why is it when he tells you in no unmistakable terms that you must have a ceiling on wages if you are going to prevent inflation—and I address my question to the gentleman from Texas and to the other New Dealers, the other administration followers—why is it you do not follow your President on that? Have you not the courage to fix the ceiling on wages when you know and you have been told by your leader that you never can have effective price control until you do it? Now, sometime tell me why it is that you do not follow his advice on that. It cannot be because you fear the result, because you fear the loss of the labor vote, can it?

[Here the gavel fell.]

The CHAIRMAN. The Chair recognizes the gentleman from North Carolina [Mr. BARDEN].

Mr. BARDEN. Mr. Chairman, I shall certainly not attempt to discuss Mr. Henderson personally, but I think there must be some underlying cause for this uprising in the House. I think part of it is probably due to some of the treatment accorded Members during their visits to the Office of Price Administration. I think some of the disagreement with the committee with reference to the amount involved is due to the fact that when you go down to handle a matter in the department you have to see about six times too many people. The business could be transacted in half the time with double the accuracy if they would just get these extra folks out of the line. That is my reason for thinking along the line of a small appropriation.

I know that there has been much juggling and tampering with the sugar question. We look in the paper one day and see a picture of 20,000,000 pounds of sugar. The big sugar refineries are all closing down. I spoke to my good friend from Texas, Judge MANSFIELD, and he told me it is an actual fact that they are closed down. Then I look into my district and I find my agricultural people scrambling and trying as best they can to get a little sugar to put up fruit and can those things they will use next winter. Those people are being prevented from canning the very things they will need next winter. Then when next winter arrives, they will declare rationing on canned goods because we are short. And the worst part of it all is that when you get information it is risky to depend on it and if they change their minds after you have given it out then embarrassment results.

That is simply attributable to one thing; they do not have people in that set-up who understand rural people or their problems properly. If they do, I have not found them. I found one man

some time ago who, after I had talked to him for nearly an hour about a tobacco problem in tobacco flues, looked at me with a perfectly blank face and asked me what we did with tobacco flues, was that what we packed tobacco in. The gentleman is a highly intelligent gentleman and is probably trying to handle his job, but he just does not know anything about it. I think the big trouble right now is they do not have people from the great rural areas in this country who understand the problems of the rural people. When I use the term "rural" I mean to include the small towns. The fact that a man is a graduate of a great college or a great law school or some other institution of higher learning in this country certainly does not mean that he is capable of understanding or does understand the detailed problems that are going to come to him.

I am sincere in my belief that if the number of people were reduced and if substantial, dependable, and capable men were put in charge and given the authority and responsibility to act, we would get further and enjoy more peace of mind. Certainly we are all trying to win the war, and in my opinion a better and smoother handling of this problem would mean that the people would have more time and resources to throw into the war effort. The Department is taking too long to do too little, for which red tape, confusion, and lack of experience are to blame.

[Here the gavel fell.]

The CHAIRMAN. The Chair recognizes the gentlewoman from New Jersey [Mrs. NORTON].

Mrs. NORTON. Mr. Chairman, I am unalterably opposed to the Taber amendment. I endorse the remarks of the gentleman from Virginia [Mr. Woodrum].

I believe Mr. Henderson has done a very good job. It has been a most difficult job. I think to accomplish it 100 percent successfully is almost beyond the ability of any man. I hope that the dear good Lord will help him, because if He does not it will just be too bad.

As I listen to this debate I am thinking of what will happen to the consumers of this country if this appropriation is cut so that there will really be no proper enforcement to maintain the ceiling on prices. I keep house here in Washington. I do not mind telling you, and I presume your wives have told you this many times, that food prices have already, in spite of all that has been done to hold them down, increased about 12½ percent during the past year. The other day in one of the big stores on Connecticut Avenue, I tried to get some coffee. The man in charge said, "I wish to goodness they would ration everything. I do not have a package of coffee on my shelves and have not had one since early this morning. Somebody said the story got around that coffee was going to be rationed, consequently everybody came in to buy coffee." He said, "That has been going on for some time. Mrs. Norton, if you have any influence down there in Congress, I wish you would tell the Members that unless food commodities are rationed or the price is kept down, we are going to be without a lot of the essentials of life."

I am passing that along to you. Unless this appropriation is maintained and, I would say, enlarged, the consumers of America are going to be the sufferers, your people and my people, in every district throughout this country. You will find when the election comes around that you are going to hear from the women of America when they find they simply cannot meet their food bills.

Mr. GORE. Mr. Chairman, will the gentlewoman from New Jersey yield?

Mrs. NORTON. I will be pleased to yield to the gentleman from Tennessee.

Mr. GORE. The gentlewoman from New Jersey will, perhaps, recall that I was one Member who thought that this should have been done differently, but we chose this way and I am glad to join with the gentlewoman in voting for sufficient appropriations to see that enforcement is brought about.

Mrs. NORTON. I thank the gentleman.

Mr. BOGGS. Mr. Chairman, will the gentlewoman from New Jersey yield?

Mrs. NORTON. I yield to the gentleman from Louisiana.

Mr. BOGGS. Is it not a fact that it will cost the Government many millions of dollars more if we have inflation than this appropriation will mean to the Government?

Mrs. NORTON. Of course, it will cost many millions more to feed the soldiers without going beyond that. It will also deprive the middle class and poorer people of our country of much that is absolutely necessary to properly maintain our standard of healthy living.

I hope you will vote down this amendment.

[Here the gavel fell.]

The CHAIRMAN. The gentleman from Massachusetts [Mr. CASEY] is recognized to close the debate on the amendment.

Mr. CASEY of Massachusetts. Mr. Chairman, there is nothing Republican or Democrat about this issue. This is an issue that demands statesmanship of the highest order. You have heard some humorous interjections. I think humor is a good thing in these heavy times of tribulation, but I wonder if we appreciate the seriousness of this vote which we are about to take?

When this present crisis began to take shape, we took out of the field of peacetime economy great forces and machinery, men and women and machines which were making clothes, food, and furniture, and all the things we needed in peacetime were taken out of peacetime production, and there is not so much of these things now. At the same time, wages began to rise, and more people got jobs in wartime occupations. This means more money in circulation and less peacetime goods produced. It does not need an economist to tell you that the sure and logical conclusion from that situation is a spiraling of prices unless we take steps to prevent it. We recognized this when we passed the Price Control Act. We discussed it then in full and because we recognized this situation we passed the Price Control Act. Mr. Henderson was selected to administer that act. We have had some altercations. He has not con-

ducted himself with the diplomacy and the suavity some of us might have expected of him. I think his difficulty might be that maybe he did not take the Dale Carnegie course on how to win friends and influence people. But he is a good economist. He is an efficient man in his field. He knows more about the broad economy of America in a practical way than any other economist. He is a driver, he is an executive, and he steps on toes, but the American people are behind him because he has been getting results. The housewives who buy furniture, who buy clothes, who buy shoes, who buy the things that are necessary in their daily lives, are with him. If they see prices going up, they are going to blame it upon the action which the Congress takes here today in sabotaging the Price Control Act by cutting the appropriation necessary for its efficient administration.

We should not discuss the merits of the act. We have passed the act. If we do not like the act, let us be men and repeal the act. But a good law badly administered is worse than no law at all. Fifty million dollars will mean a badly administered act. It will fall of its own weight, and prices will go up higher and higher.

Why, \$75,000,000 will mean that they must decrease their present force at a time when they are meeting the full effect of inflation, at a time when they are entering the retail commodity field and the rent field and have joined with W. P. B. in setting up rationing boards throughout this country. When they are now about to meet the peak of the effect of the forces of inflation you are going to cut them to less than they have had in the past. You have got to have secretarial help on these rationing boards in the various districts and towns of the country. No man will contribute his entire time, and you must have somebody there from morning until night.

This is a matter that affects the consumers of America, which means all the American people. This program should not be sabotaged. It should not have a knife driven into its back by failure to give it a sufficient amount of funds so it can be properly administered.

I hope we recognize what we are fixing to do here this afternoon. We are setting the stage for uncontrolled inflation. Why, billions of dollars can be taken from the people of America if this program fails, and this program will fail if we adopt the Taber amendment.

Originally, they asked for \$210,000,000. The Budget, after careful consideration, cut it to \$161,000,000, and then a subcommittee of the Committee on Appropriations, sitting day after day and hearing all of the testimony, in their judgment and after solemn consideration, set the figure at \$95,000,000. Then shortly before 12 o'clock on Monday a member of the Appropriations Committee offered an amendment, and because of Mr. Henderson's unpopularity with members of that committee that amendment reducing the amount to \$75,000,000 was adopted. But the subcommittee that studied the measure, that knows more about it than any other committee of the

House, said that \$95,000,000 was the amount that should be appropriated. Yet you are acting upon an amendment that further cuts this figure of \$75,000,000, which is niggardly in itself. Ye gods, to cut it to \$50,000,000 is worse than repealing this act. It is a green light for inflation.

Gentlemen, do not adopt this amendment.

[Here the gavel fell.]

(Mr. CASEY of Massachusetts asked and was given permission to revise and extend his own remarks in the RECORD.)

The CHAIRMAN. All time has expired. The question is on the amendment offered by the gentleman from New York.

The question was taken; and the amendment was rejected.

Mr. COLE of New York. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. COLE of New York: Page 23, line 2, after "appropriation", strike out the period and insert semicolon, and add the following: "Provided further, That on and after 60 days after enactment of this act, no part of the funds herein appropriated shall be used for the administration or enforcement of any order prohibiting, restricting, rationing, or limiting by way of amount or number, the sale in retail trade of any article or commodity unless such order shall have been approved by a concurrent resolution of the Congress."

Mr. WOODRUM of Virginia. Mr. Chairman, I make the point of order that that is legislation on an appropriation bill. This changes the basic principles of the Price Control Act. Under that act we set up a certain policy, and gave discretion to an agency, and this seeks definitely to change the basic act.

The CHAIRMAN. Does the gentleman from New York desire to be heard on the point of order?

Mr. COLE of New York. Mr. Chairman, I submit that this is definitely a limitation on the use of funds contained in this appropriation bill.

The CHAIRMAN. The Chair is prepared to rule. The gentleman from New York offers an amendment which has been reported by the Clerk. The gentleman from Virginia [Mr. WOODRUM] makes the point of order against the amendment on the ground that it is legislation on an appropriation bill and goes further than a limitation. The Chair has endeavored to analyze the amendment, and is of opinion that the gentleman from Virginia has correctly stated the situation. The amendment appears to go much further than a mere limitation and provides that the existing law be in effect amended, and imposes certain requirements as to further legislation. The Chair, therefore, sustains the point of order.

Mr. COLE of New York. Mr. Chairman, I ask unanimous consent to extend my remarks at this point.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. COLE of New York. Mr. Chairman, it is regrettable that a point of order has been made against the amendment which I attempted to offer for the consideration of the House.

The amendment was submitted without any spirit of rancor or antagonism toward Mr. Henderson or the Office of Price Administration. I recognize the tremendous task which the Congress has placed upon Mr. Henderson, but doubt his ability to succeed in checking the constant rise of price and inflation under the authority which the Congress has given him.

One of the gravest tasks confronting this Congress, of no less importance than the successful prosecution of the war, is that of restoring in the minds of the people a confidence in Congress as an institution of government. For the past 10 years whenever a complicated or difficult problem has faced us, we have delegated to the executive department authority to solve it. About the only responsibilities the Congress has retained are those of making appropriations for the operation of government and measures for raising revenue.

The public has gradually come to feel that if the Congress is to surrender to the Executive all powers of government, then why retain a Congress?

It is unnecessary for me to impress upon the membership here the low estate into which the Congress has fallen in the minds of the people. Articles by newspaper columnists discuss it, letters received from constituents describe it, and personal contacts by those who have visited their home districts show that there is a general dissatisfaction with Congress. It is no answer to the critics of Congress to assert that the criticism is fostered by subversive and un-American elements. We must prove to the public our capacity to serve and to merit their confidence.

Whether justifiably or not, the Congress is being held responsible for the prosecution of the war; it is being held accountable for the rapid production of war materials; whatever waste or extravagance there is in war production and military construction is charged to the Congress; the stupendous increase of national debt occasioned by reason of the war expenditures is laid at our doorstep; drastic tax increases of recent years and threat for the immediate future are both blamed on Congress. In addition, the Congress is being blamed for the orders rationing tires, sugar, gasoline, and other commodities when, in truth, the responsibility lies with the executive department.

The amendment which I attempted to offer would have required any order rationing to the consuming public any article or commodity to be approved by the Congress. I recognize that because of the complicated and intricate nature of the problem, we cannot pass upon all orders of the Office of Price Administration. However, there have been but few orders rationing commodities to the public generally and not many more are in the offing. It does not seem an insurmountable task for the Congress to assume the responsibility of approving these orders. Many wholesome and beneficial results would flow from such a procedure. If there is an acute and imminent shortage of any commodity, the Office of Price Administration can pre-

sent the facts to the Congress and receive a speedy approval. In the investigation incidental to granting such approval, inquiry would be made into the necessity for the order and remedial steps that are being taken by the Government to obtain substitutes. There is currently considerable confusion in the minds of the public as to what is being done by the Government to produce synthetic rubber. A controversy apparently exists between the petroleum people and the distilleries of alcohol from grains as to which commodity can best be adapted to the manufacture of a rubber substitute. It is reported in the press that the warehouses of sugar refineries are filled to overflowing and that in many instances reduction in sugar refinement has been necessary. It is claimed that there are in the storehouses and garages throughout the country thousands of automobile and truck tires which are gradually deteriorating. The Congress has made no effort to investigate into these circumstances, but if this amendment had been adopted, all these situations could be disclosed and the people would accept the rationing orders, however difficult and inconvenient they may be, if they had the assurance that their elected spokesmen at the seat of Government had approved the order after careful investigation.

It is not unlikely that the Office of Price Administration may come back to the Congress for additional authority in order to more effectively accomplish its responsibility of curbing inflation, and when that request comes, I sincerely hope that the Congress will then give serious consideration to the suggestion of having retail rationing orders approved by the people's representatives.

Miss SUMNER of Illinois. Mr. Chairman, I offer the following amendment, which I send to the desk.

The CHAIRMAN. The gentlewoman from Illinois offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Miss SUMNER of Illinois: Page 23, line 2, after the period, insert the following: "No part of this appropriation shall be used to pay the compensation of any officer or employee of the Office of Price Administration who is liable for training and service in the land or naval forces of the United States under the provisions of the Selective Training and Service Act of 1940, as amended."

Miss SUMNER of Illinois. Mr. Chairman, men on the selective boards in the various counties of the United States should not defer young men because of service in the O. P. A. However, it is too much for them to take the responsibility of deciding whether or not each particular job in the Government is more essential than service in the armed forces. They are too far from Washington, and they are unable to get the proper information. At the time the price-control bill was before our committee it occurred to some of us that it was a mistake to employ so many young men—I believe there were 150 at the time—as lawyers in the O. P. A. I understand that Mr. Henderson is going now to have several thousand in his legal set-up. These were young men of fine aggressive spirit, get-

ting sometimes several thousand dollars per annum, more than they could get in private life. Such aggressive spirit would be useful in the armed forces. It occurred to some of us, on the other hand, that with the plentitude of lawyers in the United States the work might be done more efficiently and quickly by lawyers who would have out of their wealth of experience the ability to decide offhand and give information offhand which would take these youngsters days to search through lawbooks and compile. The effect of this amendment, if adopted, will be to draw into the O. P. A. older and wiser heads in most positions, men with a greater understanding of the problems of our constituents, due to their longer experience in private life. It is a pity that with justification charges have been made here that there are too many Utopian theorists in the O. P. A. It is what you might call a "utocropus." However that may be, I think none of us wants to give the army of the O. P. A. a priority over the Army of the United States in the selection of personnel. We want those men who are fitted to be permitted to go into the Army.

So I hope you will agree with me that it is advisable to adopt such an amendment.

[Here the gavel fell.]

Mr. WOODRUM of Virginia. Mr. Chairman, I ask unanimous consent that all debate on this amendment close in 5 minutes.

Mr. DITTER. Mr. Chairman, reserving the right to object, I believe the gentleman from Illinois has offered an amendment that has merit. There may be others who want to speak on the amendment. I hope the distinguished gentleman from Virginia will give an opportunity to others.

Mr. WOODRUM of Virginia. There is no one seeking recognition. Does the gentleman wish to speak?

Mr. DITTER. No; but I did not know but what others might want to speak.

Mr. WOODRUM of Virginia. I do not see anyone else seeking recognition. I renew my request, Mr. Chairman.

The CHAIRMAN. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. WOODRUM of Virginia. Mr. Chairman, I rise in opposition to the amendment.

I am thoroughly in accord with the principle involved in the amendment which has been offered by the lady from Illinois. I cannot conceive, possibly, that any civil employee of the Office of Price Administration would be deferred from military service. I have not heard that any such employee has ever been deferred. I have no idea that any local board would do that. If they did they would violate their oath of office.

It would be a great mistake, in my judgment, to undertake on appropriation bills to write into these different departments the selective-service law. We passed the Selective Service Act and laid down broad, fundamental principles. Anyone working in the Office of Price Administration, the Reconstruction Finance Corporation, the Treasury Department,

the War Production Board, or even civil employees of the War Department, are subject to that act. I call attention to the fact that every day employees of the War Department are being drafted into service. They are not asking for exemption, and if they do ask for it the local boards are passing upon them.

The test is this: Mr. Henderson has nothing whatsoever to do with whether or not people working for him are taken into military service or left out. That is entirely and solely a matter for the selective-service boards. If a young man feels that he is entitled to deferment, he makes his application for deferment, and he must show to that board that he is indispensable to a war agency. I cannot conceive that a clerk or a lawyer in the Office of Price Administration could or would make any such claim as that. There would be just exactly the same reason for writing that provision into the War Production Board or into every one of this score of defense agencies. There is no occasion for that. If the Price Administration had control over that, there might be some possibility of that being done.

Miss SUMNER of Illinois. Will the gentleman yield?

Mr. WOODRUM of Virginia. I yield.

Miss SUMNER of Illinois. This is an agency which has so many young lawyers, so many young people.

Mr. WOODRUM of Virginia. Lawyers are not the only ones involved. Young clerical employees are involved also. They are being taken out of the Reconstruction Finance Corporation and these other agencies every day. Every Member of the House knows, within his own information, that young lawyers are being taken out of these Federal agencies right along. There is no reason whatsoever why they should be deferred unless they are indispensable, and I cannot conceive that they could be held to be indispensable.

Mr. HINSHAW. Mr. Chairman, will the gentleman yield?

Mr. WOODRUM of Virginia. I yield.

Mr. HINSHAW. I am glad to hear what the gentleman has to say on this subject, but I have been told that indispensability is judged by the amount of salary that a person receives from the Government.

Mr. WOODRUM of Virginia. I am sure the gentleman's information on that is wrong.

Mr. HINSHAW. Anybody who receives \$2,400 or more is conceived to be indispensable.

Mr. WOODRUM of Virginia. If that is true that is an indictment of the local draft boards, because we were scrupulously careful to put it into the hands alone of these local boards who would know these boys.

Mr. HOBBS. Mr. Chairman, will the gentleman yield?

Mr. WOODRUM of Virginia. I yield.

Mr. HOBBS. Is there not a wide distinction between the term "liable for" and "subject to"?

Mr. WOODRUM of Virginia. There is quite a wide distinction, I think. If we start out to undertake to settle on the floor of this House the questions in-

volved in the selective service administration, then we are certainly letting ourselves in for a major proposition.

Mr. HINSHAW. Does not the gentleman think it would be wise for the House to find out definitely what this question amounts to in the Government? I mean the question I mentioned a moment ago.

Mr. WOODRUM of Virginia. I think we should.

Mr. HINSHAW. I have heard that it was \$2,400, and above that they were considered indispensable.

Mr. WOODRUM of Virginia. I read in the Washington newspapers a list of appeals for deferments, and I notice they are refusing deferments of people who work for the Government, almost daily. The overwhelming majority of the cases that are asking for deferment because they work for the Government are being turned down by the local boards, as they should be.

Mr. JENNINGS. Mr. Chairman, will the gentleman yield?

Mr. WOODRUM of Virginia. I yield.

Mr. JENNINGS. I have been advised by various agencies that where a civil employee has been employed as much as 6 months it is the policy of such agency, if they deem his service indispensable, to make a request of the local draft board. But, of course, in the last analysis, as you have already clearly stated, it is a question for the local draft board.

Mr. WOODRUM of Virginia. We ought to leave it there; we ought not to interfere with that.

Mr. Chairman, I ask for a vote.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois.

The question was taken; and on a division (demanded by Miss SUMNER of Illinois) there were—ayes 39, noes 81.

So the amendment was rejected.

Mr. VAN ZANDT. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. VAN ZANDT: On page 22, line 3, after the word "appropriation", insert "Provided further, That no part of this appropriation shall be used to pay the compensation of any person engaged in administering or enforcing any order providing for rationing of any commodity which is not applicable uniformly to the entire continental United States."

Mr. VAN ZANDT. Mr. Chairman, this amendment is designed to remove the gross discrimination that exists under the rationing program for gasoline and other commodities.

The entire gasoline rationing program is a farce and a fizzle. Certain sections of the country are asked to submit to a rationing program, while their neighbors in adjoining counties are free to use the highways to their hearts content.

Several weeks ago when the rationing program was placed in effect, an imaginary line was drawn from Lake Ontario to the Gulf of Mexico. West of this imaginary line the area is nonrationed, while in the eastern sector it is under the rationing program.

The gasoline dealer in the rationed area is being given 50 percent of his regular supply and is required to sell only to those persons having rationing cards.

Like many of you, I too represent hundreds of gasoline dealers whose business is located a short distance over the imaginary line establishing the rationing area.

Let us not forget these dealers are patriotic Americans with purchases of Defense Bonds to their credit, and in a vast majority of instances they have sons in the armed forces. These dealers are willing to accept any rationing program and make any sacrifice necessary for the successful prosecution of the war. But they rightly insist that this is everybody's war—and every American has a duty to share the common sacrifice necessary for victory.

Mr. Chairman, these dealers who are the victims of such rank discrimination in many instances have gasoline stations a few yards or miles east of the rationing line. Their business represents their life savings which are slowly dwindling away as the gasoline-rationing program destroys their right to make a living and receive a fair return from their investment.

To begin with, imagine yourself a gasoline dealer in the rationed area witnessing tank cars being unloaded daily in front of your eyes. Then you are treated to the spectacle of trucks hauling gasoline past your front door into the non-rationed area where the dealer is furnished an unlimited supply while you, in the rationed area, receive only 50 percent of your usual requirements.

While that is a depressing sight, it is aggravated by the fact that your neighbors and customers, rather than worry about a rationing card, simply cross the line and are able to forget that any rationing program ever existed because of the ability to purchase an unlimited supply.

With your neighbors and customers able to purchase all the gasoline they need, you find that you cannot sell the supply you have because your business has been diverted. And that is exactly what is happening today with gasoline stations in the nonrationed areas operating 24 hours a day while those in the rationed areas are required to observe a 12-hour closing period each 24 hours.

From the standpoint of business, the nonrationed dealer has enjoyed an increase in business on a general average of over 200 percent, while those in the rationed areas has reported that they are only doing 20 percent of their former business. Some have been forced to close their businesses, while others struggle desperately to keep from surrendering their moral virtues of honesty and integrity by becoming chiselers.

Yes, the rationing program is not alone making chiselers out of the gasoline dealers but it is corrupting the morals of good American citizens who are customers of these dealers but who resent the inequitable system of rationing gasoline.

There is a great hue and cry for national unity in order to win this war. I submit, gentlemen, that if we are to achieve a unity of purpose and action, let each citizen be treated alike under the rationing programs.

Mr. HOFFMAN. Mr. Chairman, will the gentleman yield?

Mr. VAN ZANDT. Surely.

Mr. HOFFMAN. Does not the gentleman's dealer east of the line sell all of the gas he has?

Mr. VAN ZANDT. Unfortunately, as I said a moment ago, the consumer with a rationing card, instead of bothering about his rationing card, goes across the line where he can purchase unlimited quantities of gasoline, and the retailer east of the line cannot sell even the 50 percent that has been allocated to him.

Mr. HOFFMAN. The gentleman means he has more gas than he can sell.

Mr. VAN ZANDT. Exactly.

Mr. HOFFMAN. I should like to meet him.

Mr. VAN ZANDT. If the gentleman will visit my district you will meet many gasoline dealers who are standing idly by and watching their life savings gradually diminish as a result of the effect of the unfair rationing program.

Mr. HANCOCK. Mr. Chairman, will the gentleman yield?

Mr. VAN ZANDT. Yes.

Mr. HANCOCK. The gentleman's situation is exactly like that in my district. The people in my district are willing to suffer any necessary privations but they are deeply resentful when they are made the victims of unfair discrimination.

Mr. VAN ZANDT. The gentleman is exactly correct.

These gasoline dealers of whom I am now speaking have—

Mr. WILLIAM T. PHEIFFER. Mr. Chairman, will the gentleman yield?

Mr. VAN ZANDT. I yield.

Mr. WILLIAM T. PHEIFFER. Is it not true that the operating cost of running these stations, rent, taxes, employees, and so forth, remains static in the face of these events?

Mr. VAN ZANDT. That is correct.

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. VAN ZANDT. I yield.

Mr. DONDERO. Has it been shown whether there is a scarcity of gasoline or whether the scarcity is in transportation available to bring gasoline to the gentleman's area?

Mr. VAN ZANDT. It is contended generally there is a shortage of transportation and not gasoline, but in my congressional district we watch tank cars come into our area. They are unloaded and trucks take that gasoline from our area which is a rationed area across the line where consumers can purchase an unlimited supply of gasoline.

Mr. HOFFMAN. Mr. Chairman, will the gentleman yield further?

Mr. VAN ZANDT. I yield.

Mr. HOFFMAN. How will it help the dealers in the gentleman's district to shut down the dealers west of the line?

Mr. VAN ZANDT. It will give the gasoline dealers east of the line the same privilege of selling gasoline to consumers as the gentleman's people enjoy west of the line at the present time. In short, it will make the burden fall equally on the shoulders of every American citizen.

Mr. RANDOLPH. Mr. Chairman, will the gentleman yield?

Mr. VAN ZANDT. I yield.

Mr. RANDOLPH. In my congressional district in West Virginia there is one rationed county which is supplying gasoline for a county in the rationed area across the line in the State of Maryland.

Mr. VAN ZANDT. The condition the gentleman mentions is identical with conditions in many of our districts.

Miss SUMNER of Illinois. Mr. Chairman, will the gentleman yield?

Mr. VAN ZANDT. I yield.

Miss SUMNER of Illinois. There are a number of oil wells in my district. They tell us the reason you cannot get gasoline is because there is no transportation. Why should you in the east put our oil stations out of business and deprive our farmers of the chance to take their produce to market? What good would it do you?

Mr. VAN ZANDT. Of course, that is your problem out in Illinois.

Miss SUMNER of Illinois. But the gentleman is asking that we be rationed too.

Mr. VAN ZANDT. If we are going to ration commodities, especially gasoline, it should be rationed to your people just the same as to my people. I do not feel that your people should enjoy any privileges that my people do not. War demands that we share its burdens equally.

Miss SUMNER of Illinois. If a bomb should fall on your district, are you going to ask that they send bombers out to bomb our districts too?

Mr. VAN ZANDT. The gentlewoman from Illinois knows that we are not discussing bombings but rather the rationing of gasoline. Since we are told that this is everybody's war let us don the cloak of sacrifice in the traditional American spirit by sharing the common burdens incident to this war and not adopt the proverbial attitude "Let George do it."

The adoption of my amendment will be the means of lodging a protest against the obnoxious manner in which the gasoline rationing program is being administered.

Congress must heed the plea of those gasoline dealers and their patrons who have been subjected to such gross discrimination. Therefore, if you are sincere in your desire to rescue a group of real Americans from the evils of bureaucratic doctrines, you will vote for this amendment and thus remedy the intolerable conditions given birth to by the present system of rationing gasoline.

[Here the gavel fell.]

Mr. WOODRUM of Virginia. Mr. Chairman, I ask unanimous consent that all debate on this amendment close in 10 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Virginia [Mr. WOODRUM]?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from Georgia [Mr. PACE].

Mr. PACE. Mr. Chairman, a few weeks ago the Congress passed the war risk insurance bill, to protect the people

against loss from bombing and enemy attacks. If you will recall, the Congress fixed the rate the same all over the United States, although the west coast and the east coast are in more immediate danger of being bombed. We provided in that bill that the people in Kansas or elsewhere in the heart of the country should pay exactly the same rate as those in the more dangerous areas.

Mr. Henderson not only limits gasoline in the eastern area but on yesterday he raised the price of gasoline in this area an additional 2½ cents a gallon. Every businessman, every farmer along the east coast must not only be satisfied with a limited supply, but they and they alone must pay the entire increased cost. There are many districts, like my own, traversed by pipe lines. It so happens that a pipe line passes within a few feet of the incorporated limits of my home town. There are millions and millions of gallons of gasoline passing through this pipe line. Our gasoline is not received by any transportation system other than pipe lines which have been in operation for months and months. There has not been one penny additional cost in the transportation by pipe lines. Yet the farmers and the businessmen must not only be satisfied with half of the gasoline they have been accustomed to, not only is my State rationed while the pipe lines are dumping the gas into States that are not rationed, but in addition my people must pay an additional 2½ cents per gallon.

This is unfair, it is unjust. It is not right to place this additional burden on the people of my State. If it is costing more to transport gasoline to the Eastern States there can be no serious objection to providing for this additional cost, but it is a national problem and should be borne equally by all the people. A general increase of one-quarter or one-half cent all over the Nation should have been authorized, instead of imposing the entire cost of 2½ cents per gallon on just the people in the States now being rationed. It is hard for me to believe that it is costing 2½ cents per gallon more to transport this gasoline.

The CHAIRMAN. The Chair recognizes the gentleman from Pennsylvania [Mr. EBERHARTER].

Mr. EBERHARTER. Mr. Chairman, as I gather from the argument of the gentleman from Pennsylvania who introduced the pending amendment, he feels that because in his particular district some of the gasoline dealers are suffering and some of his constituents are not receiving all the gasoline they would like to have, those hardships should be scattered all over the country and every person and every gasoline dealer should suffer the same hardship whether or not it is necessary. I cannot see the logic of that argument.

There is a very good reason why a certain portion of western Pennsylvania has been exempted from the gasoline rationing plan. The reason is simple. It is because there is plenty of gasoline in that area. It is one of the great oil-producing sections of the country, and the pipe lines come into that section from the West. It has been found also that there

is more gasoline there than is necessary for the needs of the people. That is the reason that that particular part was exempted.

If we follow the argument that because some States are rationed all States should be rationed, it would mean that we are placing the hardships on people, all of which would in no way help the war effort. The gentleman spoke about an imaginary dividing line. This imaginary dividing line is drawn from a point in New York to a point some place in West Virginia, and follows a mountain range. Everybody knows that pipe lines in the past have been run from New Jersey to the Pittsburgh area because the oil was brought from the South in tankers, but the oil is not being brought that way any more, and those pipe lines are being reversed. When those pipe lines are reversed the oil that is brought from the wells will be piped to the Eastern States and they will have a plentiful supply of oil.

The amendment offered by the gentleman from Pennsylvania would impose gasoline rationing on every section of the country without any benefit to the war effort, and I hope his amendment will be defeated.

[Here the gavel fell.]

The CHAIRMAN. The Chair recognizes the gentleman from Oklahoma [Mr. JOHNSON].

Mr. JOHNSON of Oklahoma. Mr. Chairman, I rise in opposition to the amendment offered by the distinguished gentleman from Pennsylvania. I can appreciate some of the difficulties of the gentleman and of his constituents. I will agree with him that there have been some serious and inexcusable mistakes made by the Price Administrator's office, not only with reference to the rationing of gasoline but in many other matters. Certainly better judgment ought to be used in rationing gasoline and possibly other commodities. Let me suggest, however, that merely because gas rationing has not been satisfactory in his State of Pennsylvania, I do not think the gentleman would seriously insist that every part of the country should suffer the same hardship.

It would be just as reasonable to contend that because we in Oklahoma do not have oysters excepting by shipping them in, that the people of Baltimore, where they have unusually fine oysters, should be required to ration the oysters because forsooth we are unable to produce them in my State of Oklahoma. It would be just as reasonable to say that because they may have one case of smallpox in some part of Washington today we should insist that they have at least one case in every city in the country. It would be just as reasonable to say that merely because two of my children have just had the measles, that your family must also have measles.

Mr. MURDOCK. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Oklahoma. I yield to the gentleman from Arizona.

Mr. MURDOCK. It would not be an equal hardship, if all the country should be rationed, but there would be more hardship in the western half of the coun-

try, out in the great open spaces, where they depend more completely on that sort of transportation. Rationing of gasoline in the far West would disrupt our whole economy—much more than here.

Mr. JOHNSON of Oklahoma. Let me show the gentleman how unreasonable it would be. Out in my area we have many refineries, large and small, which employ thousands of people. The same situation exists in Louisiana, Texas, Kansas, and several other oil-producing States. The gentleman's amendment, if adopted, would break down the entire economic structure of our country. This Nation is absolutely dependent on oil and gasoline for the prosecution of this war. It would be very unreasonable, impracticable, and it would entirely disrupt and seriously impair our tax structure if the gentleman's amendment were permitted to be adopted.

Now with reference to the 2½-cent increase allowed in the price of gasoline this week, mentioned a few moments ago, I agree that the increase is inexcusable. Let me remind you that this is the fourth increase Leon Henderson has allowed on the refined product, yet he admitted to our committee he had not even considered the application for increase of the independent producers of crude oil.

Mr. VAN ZANDT. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Oklahoma. I yield to the gentleman from Pennsylvania.

Mr. VAN ZANDT. Oklahoma is not the only State in the Union that produces oil. Pennsylvania does.

Mr. JOHNSON of Oklahoma. That is correct, which is additional reason why his amendment must not prevail. What I have said of the situation in my State is equally true in Louisiana, in California, in Illinois, and in some 17 or more other oil-producing States in the Union.

Mr. BROOKS. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Oklahoma. I yield to the gentleman from Louisiana.

Mr. BROOKS. That amendment would tend to have this effect, that it would help to put out of business the producers of the gasoline and oil that is being shipped into the areas that are presently being rationed.

Mr. JOHNSON of Oklahoma. That is true. Except for the oil wells of the gentleman's State and mine and other oil-producing States, this Nation would be helpless in the war effort.

Mr. MONRONEY. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Oklahoma. I yield to the gentleman from Oklahoma.

Mr. MONRONEY. Does not the gentleman from Oklahoma agree that without the use of the gasoline produced in these refineries the price of the fuel oil that the people of the East need to heat their homes this winter would be more than doubled; that it is the gasoline that is being consumed that is helping to carry the load of the fuel oil? Further, does not the gentleman agree that 100-octane gasoline for airplanes cannot be made without the refining of this oil to produce gasoline?

Mr. JOHNSON of Oklahoma. That is very true. The Government right now is in great need of additional high-octane gasoline. In the district I represent in Congress the Government is backing a \$10,000,000 plant to produce at the earliest possible date 100-octane gasoline. Of course, they could not produce it without first having the regular gasoline.

Mr. BOGGS. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Oklahoma. I yield to the gentleman from Louisiana.

Mr. BOGGS. For the benefit of the gentleman from Pennsylvania and the gentleman from Georgia, who talked about the increased cost of transportation, may I say that the Committee on Banking and Currency is now considering legislation which should alleviate that condition.

Mr. JOHNSON of Oklahoma. I may say that that bill has been introduced by the distinguished gentleman from Alabama [Mr. STEAGALL] and is receiving consideration by that committee. I thank the gentleman for the suggestion. It is a matter that ought to have serious consideration by this Congress at a very early date. But that matter cannot be heard now. Let us vote down this amendment.

[Here the gavel fell.]

The CHAIRMAN. All time has expired on the pending amendment.

The question is on the amendment offered by the gentleman from Pennsylvania.

The amendment was rejected.

Mr. CANNON of Missouri. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. COOPER, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill (H. R. 7319) making supplemental appropriations for the national defense for the fiscal year ending June 30, 1943, and for other purposes, had come to no resolution thereon.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate, by Mr. McDaniel, one of its clerks, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 7181), entitled "An act making appropriations for the Department of Labor, the Federal Security Agency, and related independent agencies, for the fiscal year ending June 30, 1943, and for other purposes."

The message also announced that the Senate disagrees to the amendment of the House to the amendment of the Senate numbered 9 to the foregoing bill, further insists on its amendments numbered 9 and 16 to said bill, asks a further conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. McCARRAN, Mr. McKELLAR, Mr. RUSSELL, Mr. BANKHEAD, Mr. TRUMAN, Mr. BRIDGES, and Mr. WHITE to be the conferees on the part of the Senate.

The message also announced that the Vice President had appointed Mr. BARKLEY and Mr. BREWSTER members of the joint select committee on the part of the Senate, as provided for in the act of August 5, 1939, entitled "An act to provide for the disposition of certain records of the United States Government," for the disposition of executive papers in the following departments and agencies:

1. Department of Agriculture.
2. Department of the Navy.
3. Department of the Treasury.
4. Department of War.
5. Federal Works Agency.
6. National Housing Agency.
7. United States Maritime Commission.

LABOR DEPARTMENT AND FEDERAL SECURITY AGENCY APPROPRIATION BILL, 1943—CONFERENCE REPORT

Mr. CANNON of Missouri. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill H. R. 7181, the Labor Department and Federal Security Agency appropriation bill, with Senate amendments thereto, insist on the House amendment to Senate amendment No. 9, further insist on the House disagreement to Senate amendment No. 16, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Missouri? (After a pause.) The Chair hears none, and appoints the following conferees: MESSRS. HARE, TARVER, THOMAS of Texas, CANNON of Missouri, ENGEL, and KEEFE.

FIRST SUPPLEMENTAL NATIONAL DEFENSE APPROPRIATION BILL, 1943

Mr. CANNON of Missouri. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 7319.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 7319, with Mr. COOPER in the chair.

The Clerk read the title of the bill.

The Clerk read as follows:

Title II—General provisions.

Mr. SCRUGHAM. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SCRUGHAM: On page 36, after line 17, insert a new paragraph, as follows:

"The Secretary of the Navy is authorized to employ in the Bureau of Supplies and Accounts three additional employees at salaries per annum in excess of \$5,000, but not in excess of the appropriate rates established in accordance with the Classification Act of 1923, as amended."

Mr. SCRUGHAM. Mr. Chairman, this is an emergency item sent in by the Navy Department. The last Navy appropriation bill contained a proviso that employees paid in excess of \$5,000 should not be appointed except by special permission of the Congress. This is an emergency case, and it appears to be entirely justified. As the amendment states, the rate of pay is to be not in excess of the appropriate rates established in accordance with the Classification Act of 1923, as amended.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. SCRUGHAM. I yield to the gentleman from New York.

Mr. TABER. What are these men to do? What is the reason for their employment?

Mr. SCRUGHAM. They are all in the clerical division of the Bureau of Supplies and Accounts. The extra work is caused by the change in the pay rates of the men employed in the Navy.

Mr. TABER. Is not this the same thing for which a Budget estimate was submitted, and the committee turned it down?

Mr. SCRUGHAM. Not that, I ever heard of. This came to me only a day or two ago.

Mr. TABER. How did it come?

Mr. SCRUGHAM. It was given me by Mr. Pugh, the clerk of the committee, on Monday morning.

Mr. DITTER. Mr. Chairman, will the gentleman yield?

Mr. SCRUGHAM. I yield to the gentleman from Pennsylvania.

Mr. DITTER. If my memory serves me well, the Secretary requested originally five of these specialists, and the item was before the deficiency committee. The deficiency committee carefully went over the types of specialists that were requested and ultimately provided for two, leaving three for whom we did not make any provision.

It seems to me that rather than pressing an item of this kind as an amendment, the deficiency subcommittee or the subcommittee for the Navy might subsequently look into this matter and decide it upon its merits rather than accept such an amendment at this late hour.

Mr. SCRUGHAM. The amendment provides for three certified public accountants whose services are badly needed by the Navy Department and due to a technicality in the wording of the naval appropriation bill they are unable to employ them.

Mr. DITTER. Mr. Chairman, will the gentleman yield further?

Mr. SCRUGHAM. I yield to the gentleman.

Mr. DITTER. I wonder whether the gentleman would give the House the benefit of any information he has as to the type of work these men are to do.

Mr. SCRUGHAM. They are certified public accountants—

Mr. DITTER. The sky is the limit under the amendment.

Mr. SCRUGHAM. No; they are to be paid \$5,600.

Mr. DITTER. Who are they and what work are they to do?

Mr. SCRUGHAM. They are certified public accountants and they are needed in the Bureau of Supplies and Accounts.

Mr. DITTER. The gentleman knows that I have supported the Navy program in every way, but it seems to me we are going far afield if we cannot keep within the \$5,000 limit for these certified public accountants. As the gentleman knows, we have spent a very substantial sum for specialists to provide certain plans of accounting and we have made certain changes in the Department with reference to the Bureau of Supplies and Accounts.

counts. I do hope that the gentleman will give reconsideration and not press this matter at this time.

Mr. SCRUGHAM. This was presented to me as an urgent matter by the Navy Department and the urgency was such that I did not have time to discuss it with the ranking minority member or the other members of the committee.

Mr. DITTER. We have not reached the point where the hiring of a certified public accountant is a matter of urgency. If this were something for shipbuilding, if this were something in the nature of a fighting job or something to do a better fighting job, it would be a different thing.

Mr. SCRUGHAM. It has to do with the checking of contracts by the Bureau of Supplies and Accounts.

Mr. DITTER. And probably provide for some additional red tape.

Mr. Chairman, I ask for recognition in opposition to the amendment.

The CHAIRMAN. The gentleman from Pennsylvania [Mr. DITTER] is recognized for 5 minutes in opposition to the amendment.

Mr. DITTER. Mr. Chairman, I shall not detain the House at length on this matter. I think I have definitely established with the membership my position in supporting the Navy program. I have served with the distinguished gentleman from Nevada on the Navy Committee and in every way I have given support to those items in the Navy bills which were necessary to carry out the needs of the Navy. However, it does seem to me that the request, coming in the form it does, for three certified public accountants is a most unusual one. If they were certified in other ways, if they had qualifications to be a part of the fighting forces, if they were to have a part in the elimination of the submarine menace or looking after the other combat problems that are ours, I would feel entirely different. It seems to me that the plea of urgency is poorly presented. If these certified public accountants were as necessary or if the need for them were as urgent as the gentleman from Nevada claims, the Secretary of the Navy might well have recognized my distinguished friend from Missouri, the chairman of this subcommittee, and submitted his request to him in due course. The deficiency committee could have looked into the merits of the matter and, if necessary, we would have approved the item. So I ask, so far as this present request is concerned, that the amendment be defeated.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield for a question?

Mr. DITTER. I yield.

Mr. CRAWFORD. Do I understand that the law specifies that certified public accountants must be engaged for this particular job?

Mr. DITTER. If that is the case, I confess I do not know it. I do know that we appropriated \$50,000 not very long ago for the Secretary of the Navy and the purpose of that appropriation was to permit the Secretary to establish an efficiency system. Efficiency experts were called in with the idea of improving the office operations.

Mr. CRAWFORD. I am not questioning that.

Mr. DITTER. But I cannot see how \$5,600 each per year for three accountants at this time can be justified in view of the demands which I think are more essential. I cannot answer the gentleman's direct question.

Mr. CRAWFORD. May I ask the chairman of the Navy subcommittee whether the law specifies that these men shall be certified public accountants?

Mr. SCRUGHAM. My information is that it does.

Mr. CRAWFORD. Does the gentleman know about that? I am very serious about this matter and I want to know.

Mr. SCRUGHAM. I did not suppose we would take up so much time in discussing small details here. I do not wish to take up the time of the committee.

Mr. CRAWFORD. It may be a small detail to the gentleman, but as a Member of this House, I may say that it is not a small detail to me.

Mr. SCRUGHAM. The idea I wished to convey was that they had to have competent men to fill these positions.

Mr. DITTER. Mr. Chairman, I happen to have the floor. Yielding further to my distinguished friend from Michigan [Mr. CRAWFORD] I know of no law which requires that the men who are engaged on this work shall be certified public accountants.

Mr. CRAWFORD. I do not think there is any such law on the books.

Mr. DITTER. I know of no such law, and while my friend from Nevada has not stated that the law does so provide, he has left the inference that the law does provide that they must be certified public accountants.

Mr. SCRUGHAM. I did not mean to convey the impression that the law requires that. I meant that the requirements of the position were such that they were required.

Mr. ROBSION of Kentucky. Mr. Chairman, will the gentleman yield?

Mr. DITTER. I yield to my friend from Kentucky.

Mr. ROBSION of Kentucky. If I understand our distinguished friend from Nevada, the Clerk handed him a request for these three employees. I think we would establish a bad precedent here if on the spur of the moment we appointed these people by special act of Congress.

Mr. DITTER. Mr. Chairman, I cannot let that go unanswered. I must say that if the Clerk has made the suggestion he had good cause to do so. I do not care to have any reflection cast upon the clerk of the committee whose value to the House cannot be overestimated. I know the Clerk would not have had it presented had it not come from the Navy Department. My point is that the Secretary in the usual procedure should have presented this item to the committee, and should have presented the justifications which are always made in cases of this kind. If the appointments are necessary, they merit the attention of the Department and a request for funds in the regular way.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired. The question is on the amendment offered by the gentleman from Nevada.

The question was taken and the amendment was rejected.

The Clerk read as follows:

SEC. 201. No part of any appropriation contained in this act shall be used to pay the salary or wages of any person who advocates, or who is a member of an organization that advocates, the overthrow of the Government of the United States by force or violence: *Provided*, That for the purposes hereof an affidavit shall be considered prima facie evidence that the person making the affidavit does not advocate, and is not a member of an organization that advocates, the overthrow of the Government of the United States by force or violence: *Provided further*, That any person who advocates, or who is a member of an organization that advocates, the overthrow of the Government of the United States by force or violence and accepts employment the salary or wages for which are paid from any appropriation in this act shall be guilty of a felony and, upon conviction, shall be fined not more than \$1,000 or imprisoned for not more than 1 year, or both: *Provided further*, That the above penalty clause shall be in addition to, and not in substitution for, any other provisions of existing law.

Mr. DIRKSEN. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. DIRKSEN: On page 37, after line 11, insert a new section, to read as follows:

"SEC. 202. No part of any appropriation contained in this act or authorized hereby to be expended shall be used to pay the compensation of any officer, agent, clerk, or any employee of the United States who shall divulge or make known in any manner whatsoever to any person the operations, style of work, or apparatus of any manufacturer or producer visited by him in the discharge of his official duties, or the amount or source of income, profits, losses, expenditures, or any particular thereof, set forth or disclosed in any questionnaire, report, return, or document, required to be filed by order or regulation of the administrator or executive head of any agency for which an appropriation is provided in this act or to permit any questionnaire, report, return, or document, or copy thereof, or any book containing any abstract or particulars thereof, to be seen or examined by any person except as provided by law; or for any person who shall print or publish in any manner whatsoever, except as hereinafter provided, any questionnaire, report, return, or document, or any part thereof, or source of income, profits, losses, expenditures, or methods of doing business, appearing in any questionnaire, report, return, or document: *Provided further*, That the foregoing provisions shall not be construed to prevent or prohibit the publication or disclosure of studies, graphs, charts, or other documents of like general character wherein individual statistics or the source thereof is not disclosed or identified directly or indirectly: *Provided further*, That the foregoing provisions shall not be construed to prevent or prohibit the confidential disclosure to other executive agencies of the Federal Government of such data and information as may be useful to them in the performance of their duties."

Mr. DIRKSEN. Mr. Chairman, this amendment is not so formidable as it sounds. It is virtually identical with the amendment that was adopted in the full committee when this bill was reported, and is found on page 22 of the bill except for the last proviso. It does nothing more than to provide for the integrity of documents and their contents, that

may be submitted to any agency. The proviso adopted by the full committee applies only to the Office of Price Administration, but you will notice that there are several other agencies in this bill. Consider for a moment the Small Work Plants Corporation. Before they can certify the competency of a small plant, they have to know all about it, about its output and its machinery, its processes, its secrets, its credits, and the credit standing and all that sort of thing, and that information ought to be confidential. Certainly it is confidential under the income-tax law, and there is no reason why any person who may have access to that information ought to be permitted to peddle it to a competitor. We should not forget that we have a lot of dollar-a-year men scattered through the Government, and also specialists that came in to the Government from plants all over the country, who do business competitively, and if they had access to it, and if it were not confidential, of course, they can use it. It merely follows out the language that has already been adopted by the full committee on page 22, and merely applies to other agencies besides the O. P. A. I suggest to my friend, the chairman of the committee, that he accept this amendment, and indicate that it is agreeable to the full committee.

Mr. CANNON of Missouri. Mr. Chairman, this but illustrates the evil of trying to legislate on the impulse of the moment. Of course, amendments like this thrown suddenly into the melee of consideration without opportunity for examination, sound very well, and they have a laudable and commendable purpose. But this is no place for intricate and involved legislation of this sort. This is an appropriation bill and as such is not subject to amendments of this character even as limitations. That is conclusively demonstrated by the fact that when you examine this amendment with any degree of deliberation, you discover it is wholly unenforceable. It cannot be enforced, and it would not be enforced. It places on the Comptroller of the United States an unenforceable duty. Under such a provision he must deny every one within the category his pay chart until it is demonstrated that he does not fall within the perview of the limitation. The only thing that he could do by way of enforcement would be to require with every voucher a certificate reciting the phraseology of the limitation. And the net results would be exactly nothing. Even if such a proposition merits enactment, why attempt to tack it on an appropriation bill without notice and without consideration? No committee has had an opportunity to look at it. No one has had a chance to study it. What would be the proper course? The gentleman should introduce a bill and have it referred to the legislative committee which has jurisdiction of the subject matter of the proposal.

It is a violation of the rules of procedure, an interference with the budgetary system of the House, to attempt to bring it in on an appropriation bill. The gentleman should take it to the legisla-

tive committee where it properly belongs and which has jurisdiction, and secure legislation providing a penalty. This inhibition as outlined in the amendment is purely negative. You cannot get any results. It merely denies a man his salary, in case it can be shown to have violated the limitation, which cannot be shown.

Mr. DIRKSEN. Mr. Chairman, will the gentleman yield?

Mr. CANNON of Missouri. I yield to my esteemed friend from Illinois.

Mr. DIRKSEN. The gentleman makes an argument that tickles my sense of humor a great deal, because this identic language was adopted when the gentleman presided over the full committee, by a vote of 3 to 1. If it is out of order now, it was out of order when adopted by the full committee.

Mr. CANNON of Missouri. Of course it is. And it is just as unenforceable. There is no way to enforce either that amendment or this one. That amendment also was sprung on the committee without notice. Nobody had time to consider it. All at once the gentleman said, "Here is a good thing. Let us adopt it." And it has been adopted—just like that. I hope the House, sitting this afternoon in deliberative assembly as the greatest legislative body in the world, will not be stampeded by such a mob proposition as this. Let us follow legislative procedure. The gentleman has his remedy. He has but to take it up with the proper committee and he will receive both consideration and appropriate action. He can get neither here.

I sincerely hope that this House will not agree to such a half-baked proposition as this on such inadequate consideration.

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois [Mr. DIRKSEN].

The question was taken; and on a division (demanded by Mr. DIRKSEN) there were—ayes 59, noes 96.

So the amendment was rejected.

The Clerk concluded the reading of the bill.

Mr. CANNON of Missouri. Mr. Chairman, I move that the committee do now rise and report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and the bill as amended do pass.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. COOPER, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill H. R. 7319, and directed him to report the same back to the House with sundry amendments, with the recommendation that the amendments be agreed to and the bill as amended do pass.

Mr. CANNON of Missouri. Mr. Speaker, I move the previous question on the bill and all amendments to final passage.

The previous question was ordered.

The SPEAKER. Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

Mr. CANNON of Missouri. Mr. Speaker, I ask unanimous consent that the Clerk be authorized to correct totals in the bill just passed.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

GENERAL LEAVE TO EXTEND REMARKS

Mr. CANNON of Missouri. Mr. Speaker, I ask unanimous consent that all Members who have spoken may have 5 legislative days in which to extend their own remarks on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

DEPARTMENT OF AGRICULTURE APPROPRIATION BILL—CONFERENCE REPORT AND ORDER OF BUSINESS

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the House confer on the Department of Agriculture appropriation bill may have until midnight tonight in which to file a report, if they arrive at an agreement.

The SPEAKER. Is there objection?

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, and I am not going to object, I do this for the purpose of letting the membership know what is to happen tonight and tomorrow.

Mr. McCORMACK. After the unanimous-consent request is granted I am going to submit a request that the House stand in recess subject to the call of the Chair, because we expect a conference report on the labor and social-security bill will be ready in an hour or so. After that is disposed of there is no other business for today. Of course, if the Committee on Agriculture agrees by that time it will be taken up. I urge that they do arrive at an agreement.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. With reference to tomorrow, there is a bill from the Committee on Civil Service relating to the salaries of certain employees. Then there is a bill from the Committee on Military Affairs establishing a new medal of honor of some kind. Then on Thursday there is a bill from the Committee on Banking and Currency, which, I understand, will ask for 1 hour of general debate. I am informed by the gentleman from Alabama [Mr. STEAGALL] that there is no serious opposition to it.

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No. 124

Senate

(Legislative day of Monday, June 29, 1942)

The Senate met in executive session at 11 o'clock a. m., on the expiration of the recess.

Rev. Frederick Brown Harris, D. D., minister, Foundry Methodist Church, Washington, D. C., offered the following prayer:

God of our fathers, known of old,
God of our far-flung battle line,
In the fight to make men free—

Our fathers trusted in Thee and were not confounded. In Thee we trust. Out of the depths do we cry unto Thee. Thou knowest all the way by which we have come. Thou knowest the anxious pathway our feet are now treading. Thou knowest the unbeaten track before us. We do not ask to see life's distant scenes—one step enough—enough for us the blessed assurance Thou art the love that never forgets, the light that never fails, and the life that never ends. May that divine love and light and life awaken within us the spirit of amity and understanding which has no frontier, which knows nothing of border or breed or birth.

Lead us to a collective life for humanity, just and merciful and full of joy. Give to us eyes that are clear enough and hearts that are big enough for the social reconstruction, for the daring, brotherly feats of generous good will which shall yet turn human life into a glad, gracious, and triumphant fraternity around this war-worn world. With eyes ever on that beckoning goal, with faith undimmed and undismayed, with hope that sends a shining ray far down the future's broadening way, may we put into the fugitive fragments of every day such quality of work that shall make us unashamed when the day is over and all the days are done. We ask it in that name which is above every name. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Tuesday, June 30, 1942, was dispensed with, and the Journal was approved.

CALL OF THE ROLL

Mr. HILL. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Gerry	Radcliffe
Andrews	Gillette	Reed
Bailey	Green	Rosier
Ball	Hatch	Russell
Bankhead	Hayden	Schwartz
Barbour	Herring	Shipstead
Barkley	Hill	Smathers
Bilbo	Hughes	Smith
Bridges	Johnson, Calif.	Stewart
Burton	Lee	Taft
Butler	Lucas	Thomas, Idaho
Byrd	McCarran	Thomas, Okla.
Capper	McKellar	Thomas, Utah
Caraway	McNary	Truman
Chandler	Maybank	Tunnell
Chavez	Mead	Tydings
Clark, Idaho	Millikin	Vandenberg
Clark, Mo.	Murdoch	Wagner
Connally	Murray	Walsh
Danaher	Norris	White
Davis	Nye	Wiley
Downey	O'Mahoney	Willis
Ellender	Pepper	

Mr. HILL. I announce that the Senators from Washington [Mr. BONE and Mr. WALLGREN], the Senator from Michigan [Mr. BROWN], the Senator from South Dakota [Mr. BULOW], the Senator from Nevada [Mr. BUNKER], the Senator from Mississippi [Mr. DOXEY], the Senator from Georgia [Mr. GEORGE], the Senator from Virginia [Mr. GLASS], the Senator from Pennsylvania [Mr. GURFEY], the Senator from Delaware [Mr. HUGHES], the Senator from Colorado [Mr. JOHNSON], the Senator from West Virginia [Mr. KILGORE], the Senator from Connecticut [Mr. MALONEY], the Senator from Arizona [Mr. MCFARLAND], the Senator from Texas [Mr. O'DANIEL], the Senator from Louisiana [Mr. OVERTON], the Senator from North Carolina [Mr. REYNOLDS], the Senator from Arkansas [Mr. SPENCER], the Senator from Indiana [Mr. VAN NUYS], and the Senator from Montana [Mr. WHEELER] are necessarily absent.

Mr. McNARY. The Senator from Oregon [Mr. HOLMAN] and the Senator from New Hampshire [Mr. TOBEY] are absent on public business.

The Senator from Vermont [Mr. AUSTIN], the Senator from Maine [Mr. BREWSTER], the Senator from Illinois [Mr. BROOKS], the Senator from North Dakota [Mr. LANGER], the Senator from Massa-

chusetts [Mr. LODGE] and the Senator from South Dakota [Mr. GURNEY] are necessarily absent.

The VICE PRESIDENT. Sixty-eight Senators have answered to their names. A quorum is present.

PETITIONS

As in legislative session, Petitions were laid before the Senate, or presented, and referred as indicated:

By the VICE PRESIDENT:
A petition of sundry citizens of Waynetown, Ind., praying for the enactment of the bill (S. 860) to provide for the common defense in relation to the sale of alcoholic liquors to the members of the land and naval forces of the United States and to provide for the suppression of vice in the vicinity of military camps and naval establishments; ordered to lie on the table.

By Mr. CAPPER:
A letter in the nature of a petition, signed by the clerk of the Church of the Brethren, of Topeka, Kans., on behalf of the congregation of the church, praying for the prompt enactment of the bill (S. 860) to provide for the common defense in relation to the sale of alcoholic liquors to the members of the land and naval forces of the United States and to provide for the suppression of vice in the vicinity of military camps and naval establishments; ordered to lie on the table.

By Mr. WILLIS:
Petitions and papers in the nature of petitions, numerous signed, of sundry citizens and organizations, all in the State of Indiana, praying for the enactment of the bill (S. 860) to provide for the common defense in relation to the sale of alcoholic liquors to the members of the land and naval forces of the United States and to provide for the suppression of vice in the vicinity of military camps and naval establishments; ordered to lie on the table.

By Mr. TYDINGS:
A petition of sundry citizens, members of the Women's Christian Temperance Union of Cambridge, Md., praying for the enactment of pending legislation to prohibit the sale of alcoholic liquor and to suppress vice in the vicinity of military camps and naval establishments; ordered to lie on the table.

EXECUTIVE REPORTS OF COMMITTEES

The following favorable reports of nominations were submitted:

By Mr. TRUMAN, from the Committee on Interstate Commerce:

John W. Scott, of Indiana, to be a member of the Federal Power Commission for the term expiring June 22, 1947 (reappointment).

By Mr. McKELLAR, from the Committee on Post Offices and Post Roads:
Several postmasters.

By Mr. CONNALLY, from the Committee on Foreign Relations:

Sam E. Woods, of Mississippi, now a Foreign Service officer of class 1 and a secretary in the Diplomatic Service, to be also a consul general.

REPORTS OF COMMITTEES

As in legislative session,
The following reports of committees were submitted:

By Mr. MAYBANK, from the Committee on Immigration:

S. 2276. A bill for the relief of Max Delfiner and his wife Ewy (Ewa); without amendment (Rept. No. 1531).

By Mr. RUSSELL (for Mr. SPENCER), from the Committee on Immigration:

H. R. 4604. A bill for the relief of Doris Mongol Rai; without amendment (Rept. No. 1532); and

H. R. 5819. A bill directing the Attorney General to record the lawful admittance for permanent residence of Vivian Chang; without amendment (Rept. No. 1533).

By Mr. LUCAS, from the Committee to Audit and Control the Contingent Expenses of the Senate:

H. R. 7297. A bill authorizing the assignment of personnel from departments or agencies in the executive branch of the Government to certain investigating committees of the Senate and House of Representatives, and for other purposes; without amendment.

REPORTS ON DISPOSITION OF EXECUTIVE PAPERS

As in legislative session,

Mr. BARKLEY, from the Joint Select Committee on the Disposition of Executive Papers, to which were referred, for examination and recommendation, three lists of records transmitted to the Senate by the Archivist of the United States, which appeared to have no permanent value or historical interest, submitted reports thereon pursuant to law.

ENROLLED BILL PRESENTED

As in legislative session,

Mrs. CARAWAY, from the Committee on Enrolled Bills, reported that on June 30, 1942, that committee presented to the President of the United States the enrolled bill (S. 2586) to amend sections 1 and 3 of the act entitled "An act to authorize the President to requisition certain articles and materials for the use of the United States, and for other purposes," approved October 10, 1940 (54 Stat. 1090), to continue the act in effect during the existing war, and for other purposes.

HOUSE BILL REFERRED

As in legislative session,

The bill (H. R. 7319) making supplemental appropriations for the national defense for the fiscal year ending June 30, 1943, and for other purposes, was read twice by its title and referred to the Committee on Appropriations.

WARTIME VOTING BY ABSENT MEMBERS OF LAND AND NAVAL FORCES—AMENDMENT

As in legislative session,

Mr. ROSIER submitted an amendment intended to be proposed by him to the bill (H. R. 7223) to provide for a method of voting, in time of war, by members of the land and naval forces absent from the

States of their residence and serving within the continental United States, which was referred to the Committee on Privileges and Elections and ordered to be printed.

THE SWASTIKA IN THE NEAR EAST—ADDRESS BY SENATOR GREEN

[Mr. WAGNER asked and obtained leave to have printed in the RECORD an address entitled "The Swastika in the Near East," delivered by Senator GREEN on Tuesday, June 30, 1942, which appears in the Appendix.]

LOUIS D. BRANDEIS COLONY IN PALESTINE—ADDRESS BY SENATOR WAGNER

[Mr. WAGNER asked and obtained leave to have printed in the RECORD an address delivered by him at the founders' dinner for the Louis D. Brandeis Colony in Palestine, delivered on June 17, 1942, at the Hotel Commodore, in New York City, N. Y., which appears in the Appendix.]

ADDRESS BY SENATOR MEAD BEFORE NEW YORK STATE CHRISTIAN ENDEAVOR UNION

[Mr. MEAD asked and obtained leave to have printed in the RECORD an address delivered by him at the thirty-fourth annual convention of the New York State Christian Endeavor Union, at Buffalo, N. Y., on June 27, 1942, which appears in the Appendix.]

ERSATZ THINKING MUST GO—ADDRESS BY SENATOR WILEY

[Mr. WILEY asked and obtained leave to have printed in the RECORD an address entitled "Ersatz Thinking Must Go," delivered by him on June 22, 1942, before the Wisconsin State Veterinary Association convention at the Hotel Northern, Chippewa Falls, Wis., which appears in the Appendix.]

VISIT OF WINSTON CHURCHILL TO FORT JACKSON

[Mr. MAYBANK asked and obtained leave to have printed in the RECORD an article entitled "Fort Jackson Puts on Show for Churchill," published in the Columbia (S. C.) State of June 28, 1942, which appears in the Appendix.]

REALLOCATION AND RECLASSIFICATION OF CERTAIN POSITIONS IN THE NATIONAL LABOR RELATIONS BOARD

As in legislative session,

Mr. MURDOCK. Mr. President, last evening when the conference report on House bill 7181 was adopted I wanted particularly to be present, but of necessity I was detained elsewhere, so was precluded from making the inquiries I desired to make of the chairman of the subcommittee of the Committee on Appropriations [Mr. MCCARRAN] who handled the bill on the floor, and who submitted the conference report.

Some years ago the Congress, with the approval of the President, passed the National Labor Relations Act, the author of which was the distinguished senior Senator from New York [Mr. WAGNER]. This act, Mr. President, has been referred to on numerous occasions as the magna carta of labor. In my opinion, when it is so styled it is correctly styled. I think the provision for collective bargaining for labor by representatives of labor's own choosing, as provided in the act, is the cornerstone of the rights of labor. It is the bulwark of liberty for labor. But, Mr. President, there were Members of Congress, both on the Senate side and on the House side, who were

opposed to the National Labor Relations Act. They were opposed to its passage, and they have been opposed to it from the time of its passage to the present day.

After the passage of the act it was haled into court time and time again. A considerable group of so-called big lawyers throughout the United States advised their clients that the act was unconstitutional, and advised them to disregard it. Later the act was brought before the Supreme Court of the United States and declared to be constitutional. The enemies of this act of Congress did not like that decision by the Supreme Court, and they began in other ways to attack the National Labor Relations Act. Action sponsored by enemies of the act was begun in the House of Representatives, to investigate the act and to investigate the administration of the act. A resolution was adopted by the House creating a committee to conduct such an investigation. I happened to be a member of that committee, appointed, I assume, because of my friendly attitude toward labor. I believed before the committee concluded its work that I knew the purpose of the investigation. The purpose of the investigation, sponsored, in my opinion, by enemies of the act was, if possible, to emasculate and to do away with it.

After the investigation was concluded, there were offered to the National Labor Relations Act amendments which, if adopted, would have emasculated and, in my opinion, absolutely ruined and destroyed it, so far as labor is concerned. Happily the amendments were never adopted by the Congress, and the act remains today as it was passed, still the bulwark of labor, still the magna carta and the cornerstone of the rights of labor throughout the United States.

The enemies of the National Labor Relations Act, however, have never ceased for 1 minute to keep sniping at it, to keep boring from within wherever the opportunity presented itself. Failing in having the act declared unconstitutional, failing in having amendments adopted which would have emasculated and destroyed the act, now it is my opinion that the enemies of the National Labor Relations Act are still sniping away in an effort to hamstring, to impede, and to coerce and cajole the Board which has the responsibility of administering the act.

When I was a Member of the House of Representatives, in connection with a certain appropriation bill an Appropriations Committee report was submitted to the House, and in the committee report the committee called the attention of the National Labor Relations Board to a certain section or division which was set up by the Board and told the Board it had to get rid of that particular section or division. At that time I took the floor in the House and condemned that kind of legislative procedure.

Congress can act under the Constitution by amendment of the law or by repeal of the law. When a proper amendment is laid before either House of Congress, the Senate and the House of Representatives have a right to vote and to pass judgment on the amendment or re-

77TH CONGRESS
2D SESSION

H. R. 7319

IN THE SENATE OF THE UNITED STATES

JULY 1 (legislative day, JUNE 29), 1942

Read twice and referred to the Committee on Appropriations

AN ACT

Making supplemental appropriations for the national defense for the fiscal year ending June 30, 1943, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That the following sums are appropriated, out of any money
4 in the Treasury not otherwise appropriated, for the national
5 defense for the fiscal year ending June 30, 1943, and for
6 other purposes, namely:

7 TITLE I—GENERAL APPROPRIATIONS

8 JUDICIARY

9 DISTRICT COURT, PANAMA CANAL ZONE

10 Salaries: For an additional amount for salaries, District
11 Court, Panama Canal Zone, \$2,250.

1 EXECUTIVE OFFICE OF THE PRESIDENT

2 EMERGENCY FUND FOR THE PRESIDENT

3 Emergency fund for the President: To enable the Pres-
4 ident, through appropriate agencies of the Government, to
5 provide for emergencies affecting the national security and
6 defense and for each and every purpose connected there-
7 with, and to make all necessary expenditures incident thereto
8 for any purpose for which the Congress has previously made
9 appropriation or authorization and without regard to the
10 provisions of law regulating the expenditure of Government
11 funds or the employment of persons in the Government
12 service, such as section 3709 of the Revised Statutes and
13 the civil service and classification laws; and any waiver
14 hereunder of the provisions of any law regulating such
15 expenditure or such employment shall not be exercised by
16 any agency unless the allocation to such agency or subse-
17 quent action of the President in connection therewith permits
18 any such waiver to be availed of; \$100,000,000: *Provided,*
19 That in a total amount of not exceeding \$25,000,000
20 and within the purposes provided for in this para-
21 graph, the President may authorize the expenditure of
22 sums from this appropriation for objects of a confidential na-
23 ture and in any such case the certificate of the expending
24 agency as to the amount of the expenditure and that it is
25 deemed inadvisable to specify the nature thereof shall be

1 deemed a sufficient voucher for the sum therein expressed to
2 have been expended: *Provided further*, That the foregoing
3 appropriation and the foregoing limitation upon the amount
4 which may be expended for objects of a confidential nature,
5 are hereby respectively merged with the appropriation and
6 with the limitation for the same purpose under this head in the
7 Third Supplemental National Defense Appropriation Act,
8 1942: *Provided further*, That the President shall transmit
9 to Congress, on or before January 10, 1944, a report of the
10 expenditures from such total appropriation.

11 BOARD OF ECONOMIC WARFARE

12 Salaries and expenses: For all expenses necessary to
13 enable the Board of Economic Warfare to carry out its
14 functions and activities, including salaries of an Executive
15 Director at \$10,000 per annum and four assistants to the
16 Executive Director at \$9,000 per annum; personal services
17 (including aliens) in the District of Columbia and elsewhere;
18 the acceptance and utilization of voluntary and uncompen-
19 sated services; the temporary employment of persons or or-
20 ganizations by contract or otherwise without regard to the
21 civil-service and classification laws or section 3709 of the
22 Revised Statutes; procurement of necessary services, supplies,
23 and equipment without regard to section 3709, Revised Stat-
24 utes, for use (1) outside the continental limits of the United
25 States, including the rental of office space, and (2) within

1 the United States when the aggregate amount involved in
2 any one case does not exceed \$300; traveling expenses, in-
3 cluding (1) expenses of attendance at meetings of organiza-
4 tions concerned with the work of the Board, (2) actual
5 transportation and other necessary expenses, and not to ex-
6 ceed \$10 per diem in lieu of subsistence of persons serving
7 while away from their homes without other compensation
8 from the United States, in an advisory capacity to the Board,
9 (3) payment to the Chairman and the Executive Director
10 of the Board of actual and necessary transportation, sub-
11 sistence, and other expenses incidental to the performance of
12 their duties, and (4) expenses outside the United States
13 without regard to the Standardized Government Travel Reg-
14 ulations and the Subsistence Expense Act of 1926, as
15 amended, or any limitation of law or regulation governing the
16 payment of transportation and subsistence to military or naval
17 personnel, and section 901 of the Act of June 29, 1936 (49
18 Stat. 2015) ; transfer of household goods and effects as pro-
19 vided by the Act of October 10, 1940 (54 Stat. 1105) ;
20 preparation and transportation of the remains of officers and
21 employees who die abroad or in transit, while in the dispatch
22 of their official duties, to their former homes in this country
23 or to a place not more distant for interment, and for the or-
24 dinary expenses of such interment; purchase and exchange of
25 lawbooks and books of reference; the rental of news-report-

1 ing services; the purchase of, or subscription to, commercial
2 and trade reports, newspapers, and periodicals; the purchase
3 or rental of typewriters, adding machines, and other labor-
4 saving devices, and the repair and exchange of same; the
5 purchase, exchange, maintenance, operation, repair, and hire
6 of motor-propelled or horse-drawn passenger-carrying vehi-
7 cles; and printing and binding, \$12,000,000, of which amount
8 such sums as may be authorized by the Director of the
9 Bureau of the Budget may be transferred to other depart-
10 ments or agencies of the Government for the performance by
11 them of any of the functions or activities for which this appro-
12 priation is made: *Provided*, That no other agency of the
13 Government shall perform work or render services for the
14 Board of Economic Warfare, whether or not the performance
15 of such work or services involves the transfer of funds or re-
16 imbursement of appropriations, unless authority therefor by
17 the Bureau of the Budget shall have been obtained in ad-
18 vance: *Provided further*, That not to exceed \$500,000 of
19 this appropriation shall be available to meet emergencies of
20 a confidential character to be expended under the direction of
21 the Executive Director, who shall make a certificate of the
22 amount of such expenditure which he may think it advisable
23 not to specify, and every such certificate shall be deemed a
24 sufficient voucher for the amount therein certified.

25 Payments for articles and materials requisitioned: For

1 the purpose of making payments to the owners thereof for
2 articles and materials requisitioned under authority of the
3 Acts of October 10, 1940 (54 Stat. 1090), and October 16,
4 1941 (Public Law 274), the unexpended balance as of
5 June 30, 1942, of the fund consisting of (1) the allocation
6 of \$200,000 to the Economic Defense Board from the
7 emergency fund for the President by letter of November
8 26, 1941, and (2) the receipts credited to said appropri-
9 ation by the Act of October 10, 1940, and reallocated for
10 the same purpose by said letter of allocation, is hereby
11 continued available to the Board of Economic Warfare for
12 the fiscal year 1943: *Provided*, That receipts of the sales
13 of articles requisitioned by said Board under authority of
14 said Act of October 16, 1941, shall be deposited to the
15 credit of this fund and be immediately available for the
16 purposes thereof.

17

OFFICE OF CENSORSHIP

18 Salaries and expenses: For all expenses necessary to
19 enable the Office of Censorship to perform the functions
20 and duties prescribed by the President, including personal
21 services in the District of Columbia and elsewhere; the em-
22 ployment of aliens as examiners or translators; the employ-
23 ment of a Director and a Deputy Director at not exceed-
24 ing \$10,000 and \$9,000 per annum respectively; the accept-
25 ance and utilization of voluntary and uncompensated services;

1 not to exceed \$20,000 for temporary employment, without
2 regard to civil-service and classification laws; expenses of
3 attendance at meetings of organizations concerned with the
4 work of the Office; traveling expenses, including not to ex-
5 ceed \$10 per diem in lieu of subsistence and other expenses
6 of persons serving as advisers while away from their homes
7 without other compensation from the United States; transfer
8 of household goods and effects as provided by the Act of
9 October 10, 1940; printing and binding; hire, maintenance,
10 and repair of automobiles; purchase of guard uniforms, law-
11 books, books of reference, newspapers, periodicals, rubber
12 gloves, aprons, and other items necessary for protection of
13 clothing from chemicals, \$26,500,000: *Provided*, That sec-
14 tion 3709 of the Revised Statutes shall not be construed to
15 apply to any purchase made by or service rendered for the
16 Office of Censorship when the aggregate amount involved in
17 such case does not exceed \$100 in the continental United
18 States and \$500 outside the continental limits.

19 OFFICE FOR EMERGENCY MANAGEMENT

20 PAR. 1. For all necessary expenses of the constituent
21 agencies of the Office for Emergency Management in para-
22 graphs 2 to 12, inclusive, in performing their respective
23 functions and activities, without regard to section 3709,
24 Revised Statutes (except as otherwise specified herein),
25 including (in addition to the objects specified respectively

1 under each head) personal services in the District of
2 Columbia and elsewhere; contract stenographic reporting
3 services; lawbooks, books of reference, newspapers and
4 periodicals; printing and binding; procurement of sup-
5 plies and equipment, including typewriters, adding machines
6 and other labor-saving devices and their repair and exchange;
7 purchase and exchange, maintenance, operation, and repair
8 of passenger-carrying automobiles, trucks, station wagons,
9 and motorcycles; transfer of household goods and effects as
10 provided by the Act of October 10, 1940; acceptance and
11 utilization of voluntary and uncompensated services; and
12 traveling expenses, including expenses of attendance at meet-
13 ings of organizations concerned with the work of the agency
14 from whose appropriation such expenses are paid, and actual
15 transportation and other necessary expenses, and not to exceed
16 \$10 (unless otherwise specified) per diem in lieu of sub-
17 sistence, of persons serving while away from their permanent
18 homes or regular places of business in an advisory capacity
19 to or employed by any of such agencies without other com-
20 pensation from the United States, or at \$1 per annum, as
21 follows:

22 PAR. 2. Office of the Liaison Officer: For the Office of
23 the Liaison Officer, \$113,000. The Liaison Officer is hereby
24 authorized, in connection with the operations of the constitu-
25 ent agencies of the Office for Emergency Management, to con-

1 sider, ascertain, adjust, determine, and certify claims against
2 the United States in accordance with the Act of December
3 28, 1922 (31 U. S. C. 215), and to designate certifying
4 officers in accordance with the Act of December 29, 1941
5 (Public Law 389).

6 PAR. 3. Division of Central Administrative Services:
7 For the Division of Central Administrative Services,
8 \$9,000,000: *Provided*, That there may be transferred to this
9 appropriation from appropriations available to the constitu-
10 ent agencies of the Office for Emergency Management and
11 to the Office of Price Administration such amounts as may
12 be necessary for the procurement of supplies, equipment,
13 and services for such agencies and such Administration,
14 and funds so transferred shall be consolidated with and shall
15 be expendable in the same manner as this appropriation:
16 *Provided further*, That the constituent agencies (except the
17 War Shipping Administration) of the Office for Emergency
18 Management and the Office of Price Administration shall not
19 establish, in the District of Columbia or in the field, fiscal,
20 personnel, procurement, space allocation or procurement,
21 duplicating, distribution, communication, or other general
22 services, wherever the Director of the Bureau of the Budget
23 determines that the Division of Central Administrative
24 Services can render any such service.

1 shall transmit to the President immediately upon the close
2 of the fiscal year a complete financial report of the operations
3 of such corporations: *Provided further*, That not to exceed
4 \$500,000 of this appropriation shall be available to meet
5 emergencies of a confidential character to be expended under
6 the direction of the Coordinator, who shall make a certificate
7 of the amount of such expenditure which he may think it
8 advisable not to specify and every such certificate shall be
9 deemed a sufficient voucher for the amount therein certified.

10 PAR. 6. Office of Defense Health and Welfare Services:
11 For the Office of Defense Health and Welfare Services,
12 \$2,440,000, including not to exceed \$10,000 for the employ-
13 ment of aliens: *Provided*, That section 3709 of the Revised
14 Statutes shall not be construed to apply to any purchase made
15 by or service rendered for the Office of Defense Health and
16 Welfare Services when the amount involved does not exceed
17 the sum of \$100.

18 PAR. 7. Office of Defense Transportation: For the Office
19 of Defense Transportation, \$7,216,515.

20 PAR. 8. National War Labor Board: For the National
21 War Labor Board, \$1,167,000, including salaries at not to
22 exceed \$10,000 per annum each for the four public members
23 of the Board; actual transportation and other necessary ex-
24 penses, and not to exceed \$25 per diem in lieu of subsistence
25 (whether or not in a travel status) of members, alternate

1 members and associate members of the Board while serving
2 as such without other compensation from the United States:
3 *Provided*, That funds available to the National War Labor
4 Board for the fiscal year 1942 shall be construed as having
5 been available for the payment of expenses of the Board
6 incurred during said fiscal year in accordance herewith.

7 PAR. 9. Office of Scientific Research and Development:
8 For the Office of Scientific Research and Development,
9 \$73,000,000, including purchase of reports, documents,
10 plans, and specifications: *Provided*, That there may be paid
11 from this appropriation to the National Academy of Sciences
12 a sum not exceeding \$113,790 for the administrative and
13 overhead expenses incurred by said academy during the fiscal
14 year 1943 in carrying out research projects for Federal
15 agencies and such sum shall be in addition to any reimburse-
16 ment otherwise provided for. Notwithstanding the provi-
17 sions of section 3679 of the Revised Statutes (31 U. S. C.
18 665), the Office of Scientific Research and Development is
19 authorized, in making contracts for the conduct of investiga-
20 tions or experiments, to agree on behalf of the United States
21 to indemnify the contractor from such funds as may be here-
22 after appropriated for the purpose, against loss or damage
23 to persons or property arising from such work: *Provided*
24 *further*, That advances of funds may be made in connection
25 with contracts entered into by the Office of Scientific Research

1 and Development without regard to section 3648, Revised
2 Statutes: *Provided further*, That funds available to any
3 agency of the Government for scientific or technical research,
4 development, testing, construction of test models, experi-
5 mental production, or the provision of facilities therefor, shall
6 be available for transfer, in whole or in part, to the Office of
7 Scientific Research and Development, and funds so trans-
8 ferred shall be expendable in the same manner as this
9 appropriation.

10 PAR. 10. War Manpower Commission: For the War
11 Manpower Commission, \$3,114,000, including not to ex-
12 ceed \$10,000 for the employment of aliens: *Provided*,
13 That section 3709 of the Revised Statutes shall not be con-
14 strued to apply to any purchase made by or service rend-
15 ered for the War Manpower Commission when the amount
16 involved does not exceed the sum of \$100.

17 PAR. 11. War Production Board: For the War Pro-
18 duction Board, \$68,546,300, including not to exceed \$50,-
19 000 for the employment of aliens; not to exceed \$50,000
20 for the temporary employment of expert witnesses, by
21 contract or otherwise, without regard to the civil-service
22 or classification laws; and not to exceed \$500,000 for
23 scientific research on materials, material substitutes, and
24 other subjects related to the functions of the Board, with-
25 out regard to section 3648, Revised Statutes: *Provided*,

1 That funds available for expenses of the War Production
2 Board for the fiscal years 1942 and 1943 may be used for
3 the rental, maintenance, and operation of one airplane.

4 PAR. 12. War Relocation Authority: For the War Relo-
5 cation Authority, \$70,000,000, including expenses incident
6 to the extension of the program provided for in Executive
7 order of March 18, 1942, to persons of Japanese ancestry
8 not evacuated from military areas; salary of the Director at
9 not to exceed \$10,000 per annum; the employment of school
10 teachers and not to exceed \$195,000 for the employment of
11 other persons or organizations, by contract or otherwise,
12 without regard to the civil-service and classification laws;
13 employment of aliens; transfer of household goods and ef-
14 fects as provided by the Act of October 10, 1940, including
15 the travel expenses and the transfer of such goods and effects
16 of employees transferred from other Federal agencies to the
17 Authority at its request; purchase, exchange, maintenance,
18 repair, and operation of motor-propelled passenger-carrying
19 and other vehicles and equipment; not to exceed \$75,000
20 for payments to States or political subdivisions thereof, or
21 other local public taxing units, of sums in lieu of taxes
22 against real property acquired by the Authority for the
23 purposes hereof, or payments for the performance of govern-
24 mental services required in connection with the administra-
25 tion of the program; the disposal, by public or private

1 sale, of goods or commodities produced or manufactured in
2 the performance of activities hereunder, the proceeds of
3 which shall be deposited in a special fund and thereafter
4 shall remain available until expended for the purposes hereof:
5 *Provided*, That the provisions of the Act of February 15,
6 1934 (48 Stat. 351), as amended, relating to disability or
7 death compensation and benefits, shall apply to persons re-
8 ceiving from the United States compensation in the form
9 of subsistence, cash advances, or other allowances in accord-
10 ance with regulations prescribed by the Director of the
11 War Relocation Authority for work performed in connec-
12 tion with such program, including work performed in the
13 War Relocation Work Corps: *Provided further*, That this
14 provision shall not apply in any case coming within the pur-
15 view of the workmen's compensation laws of any State,
16 Territory, or possession, or in which the claimant has re-
17 ceived or is entitled to receive similar benefits for injury or
18 death.

19 PAR. 13. General provisions: Total, Office for Emer-
20 gency Management, paragraphs 1 to 12, inclusive, \$268,863,-
21 890, to be expended for, or in the administration of the
22 affairs of, the agencies within the Office for Emergency
23 Management, paragraphs 1 to 12, inclusive, hereinafter called
24 the constituent agencies, in accordance with the following
25 provision:

1 (a) There may be transferred from any of the foregoing
2 appropriations for the constituent agencies sums to other
3 agencies of the Government for the performance by such other
4 agencies of any of the functions or activities for which these
5 appropriations are made: *Provided*, That no other agency
6 of the Government shall perform work or render services
7 for any of the constituent agencies, whether or not the per-
8 formance of such work or services involves the transfer of
9 funds or reimbursement of appropriations, unless authority
10 therefor by the Bureau of the Budget shall have been obtained
11 in advance.

12 (b) The head of any of the constituent agencies may
13 delegate to any other official in such agency the authority
14 to make appointments of personnel and to make other
15 administrative determinations necessary for the conduct of
16 the business in such agency.

17 (c) Any employee of any of the constituent agencies
18 is authorized and empowered, when designated for the pur-
19 pose by the head of such agency, to administer to or take
20 from any person an oath, affirmation, or affidavit, when
21 such instrument is required in connection with the perform-
22 ance of the functions or activities of such agency.

23 PAR. 14. War Shipping Administration: To increase the
24 War Shipping Administration fund, \$1,100,000,000, which

1 amount, together with other funds heretofore or hereafter
2 made available to such revolving fund, shall be available for
3 carrying on all the activities and functions of the War Ship-
4 ping Administration, under Executive order of February 7,
5 1942 (7 F. R. 837), and heretofore or hereafter lawfully
6 vested in such Administration by statute or otherwise, in-
7 cluding costs incidental to the acquisition, operation, loading,
8 discharging, and use of vessels transferred for use of any de-
9 partment or agency of the United States, and for all adminis-
10 trative expenses, including the employment and compensation
11 of persons in the District of Columbia and elsewhere, such
12 employment and compensation to be in accordance with laws
13 applicable to the employment and compensation of persons
14 by the United States Maritime Commission except section
15 201 (b) of the Merchant Marine Act, 1936 (49 Stat. 1985) ;
16 expenses of attendance, when specifically authorized by the
17 Administrator, at meetings concerned with the work of the
18 Administration; actual transportation and other necessary
19 expenses and not to exceed \$25 per diem in lieu of subsist-
20 ence of persons serving while away from their permanent
21 homes or regular places of business in an advisory capacity
22 to or employed by the Administration without other com-
23 pensation from the United States or at \$1 per annum;
24 printing and binding; lawbooks, books of reference, peri-
25 odicals and newspapers; contract stenographic reporting

1 services; purchase and exchange, maintenance, repair, and op-
2 eration of passenger-carrying automobiles; transfer of house-
3 hold goods and effects as provided by the Act of October 10,
4 1940; rent, including heat, light, and power, outside the Dis-
5 trict of Columbia; allowances for living quarters, including
6 heat, fuel, and light, as authorized by the Act of June 26,
7 1930; and the employment, on a contract or fee basis, of per-
8 sons, firms, or corporations for the performance of special
9 services, including accounting, legal, actuarial, and statistical
10 services, without regard to section 3709 of the Revised
11 Statutes: *Provided*, That when vessels are transferred or
12 assigned permanently by the War Shipping Admin-
13 istrator to other departments or agencies of the United
14 States Government for operation by them, funds for
15 the operation, loading, discharging, repairs, and al-
16 terations, or other use of such vessels may be trans-
17 ferred from the War Shipping Administration fund to the
18 applicable appropriations of the department or agency con-
19 cerned in such amounts as may be approved by the Director
20 of the Bureau of the Budget.

21 OFFICE OF PRICE ADMINISTRATION

22 Salaries and expenses: For all necessary expenses of the
23 Office of Price Administration in carrying out the provisions
24 of the Emergency Price Control Act of 1942 (Public Law
25 421), and the provisions of the Act of May 31, 1941 (Public

1 amount, together with other funds heretofore or hereafter
2 made available to such revolving fund, shall be available for
3 carrying on all the activities and functions of the War Ship-
4 ping Administration, under Executive order of February 7,
5 1942 (7 F. R. 837), and heretofore or hereafter lawfully
6 vested in such Administration by statute or otherwise, in-
7 cluding costs incidental to the acquisition, operation, loading,
8 discharging, and use of vessels transferred for use of any de-
9 partment or agency of the United States, and for all adminis-
10 trative expenses, including the employment and compensation
11 of persons in the District of Columbia and elsewhere, such
12 employment and compensation to be in accordance with laws
13 applicable to the employment and compensation of persons
14 by the United States Maritime Commission except section
15 201 (b) of the Merchant Marine Act, 1936 (49 Stat. 1985) ;
16 expenses of attendance, when specifically authorized by the
17 Administrator, at meetings concerned with the work of the
18 Administration; actual transportation and other necessary
19 expenses and not to exceed \$25 per diem in lieu of subsist-
20 ence of persons serving while away from their permanent
21 homes or regular places of business in an advisory capacity
22 to or employed by the Administration without other com-
23 pensation from the United States or at \$1 per annum;
24 printing and binding; lawbooks, books of reference, peri-
25 odicals and newspapers; contract stenographic reporting

1 services; purchase and exchange, maintenance, repair, and op-
2 eration of passenger-carrying automobiles; transfer of house-
3 hold goods and effects as provided by the Act of October 10,
4 1940; rent, including heat, light, and power, outside the Dis-
5 trict of Columbia; allowances for living quarters, including
6 heat, fuel, and light, as authorized by the Act of June 26,
7 1930; and the employment, on a contract or fee basis, of per-
8 sons, firms, or corporations for the performance of special
9 services, including accounting, legal, actuarial, and statistical
10 services, without regard to section 3709 of the Revised
11 Statutes: *Provided*, That when vessels are transferred or
12 assigned permanently by the War Shipping Admin-
13 istrator to other departments or agencies of the United
14 States Government for operation by them, funds for
15 the operation, loading, discharging, repairs, and al-
16 terations, or other use of such vessels may be trans-
17 ferred from the War Shipping Administration fund to the
18 applicable appropriations of the department or agency con-
19 cerned in such amounts as may be approved by the Director
20 of the Bureau of the Budget.

21 OFFICE OF PRICE ADMINISTRATION

22 Salaries and expenses: For all necessary expenses of the
23 Office of Price Administration in carrying out the provisions
24 of the Emergency Price Control Act of 1942 (Public Law
25 421), and the provisions of the Act of May 31, 1941 (Public

1 Law 89) , as amended by the Second War Powers Act, 1942
2 (Public Law 507) , and all other powers, duties, and functions
3 which may be lawfully delegated to the Office of Price Ad-
4 ministration, including personal services in the District of
5 Columbia and elsewhere; expenses of in-service training of
6 employees, including salaries and traveling expenses of in-
7 structors; not to exceed \$55,000 for the employment of aliens;
8 not to exceed \$30,000 for the temporary employment of
9 persons or organizations, by contract or otherwise, without
10 regard to section 3709, Revised Statutes, or the civil-service
11 and classification laws; contract stenographic reporting serv-
12 ices; witness fees; purchase of lawbooks, books of reference,
13 newspapers, press clippings, and periodicals; printing and
14 binding; procurement of supplies, equipment, and services,
15 including typewriters, adding machines, and other labor-sav-
16 ing devices and their repair and exchange; maintenance,
17 repair, and operation of passenger-carrying vehicles; transfer
18 of household goods and effects as provided by the Act of
19 October 10, 1940, and traveling expenses, including (1)
20 attendance at meetings of organizations concerned with the
21 work of the Office of Price Administration; (2) actual trans-
22 portation and other necessary expenses and not to exceed \$10
23 per diem in lieu of subsistence of persons serving while away
24 from their homes in an advisory capacity without other com-
25 pensation from the United States, or at \$1 per annum;

1 \$75,000,000, of which amount such sums as may be author-
2 ized by the Director of the Bureau of the Budget may be
3 transferred to other departments or agencies of the Govern-
4 ment for the performance by them of any of the functions
5 or activities for which this appropriation is made: *Provided*,
6 That no other agency of the Government shall perform work
7 or render services for the Office of Price Administration,
8 whether or not the performance of such work or services
9 involves the transfer of funds or reimbursement of appropria-
10 tions, unless authority therefor by the Bureau of the Budget
11 shall have been obtained in advance: *Provided further*, That
12 such appropriation of \$75,000,000 shall be so administered
13 during the fiscal year 1943 as to constitute the total amount
14 that will be furnished to such Administration during such fiscal
15 year for the purposes set forth in this paragraph and shall
16 not be augmented by allocations or transfers of funds from
17 any other appropriation: *Provided further*, That no part of
18 this appropriation shall be used for the compensation of any
19 officer, agent, clerk or other employee of the United States
20 who shall divulge or make known in any manner whatever
21 to any person the operations, style of work, or apparatus of
22 any manufacturer or producer visited by him in the dis-
23 charge of his official duties, or the amount or source of in-
24 come, profits, losses, expenditures, or any particular thereof,
25 set forth or disclosed in any questionnaire, report, return,

1 or document, required to be filed by order or regulation
2 of the Administrator or to permit any questionnaire, report,
3 return, or document or copy thereof or any book contain-
4 ing any abstract or particulars thereof to be seen or
5 examined by any person except as provided by law; nor for
6 any person who shall print or publish in any manner what-
7 ever, except as hereinafter provided, any questionnaire, re-
8 port, return, or document or any part thereof or source of
9 income, profits, losses, expenditures, or methods of doing
10 business, appearing in any questionnaire, report, return, or
11 document: *Provided further*, That the foregoing provisions
12 shall not be construed to prevent or prohibit the publication
13 or disclosure of studies, graphs, charts, or other documents
14 of like general character wherein individual statistics or the
15 source thereof is not disclosed or identified directly or indi-
16 rectly nor to prevent the furnishing in confidence to other
17 executive agencies of the Federal Government such data and
18 information as may be useful to them in the performance
19 of their duties.

20 INDEPENDENT EXECUTIVE AGENCIES

21 CIVIL SERVICE COMMISSION

22 National defense activities: For national defense activi-
23 ties, Civil Service Commission, to be supplemental to the
24 appropriation made for this purpose for the fiscal year
25 1943, and to be available for the same objects, \$4,147,476:

1 *Provided*, That the limitation upon the amount which may
2 be expended for travel expenses under this head for the fiscal
3 year 1943 is hereby increased to \$912,020.

4 FEDERAL COMMUNICATIONS COMMISSION

5 National defense activities: For national defense activi-
6 ties, Federal Communications Commission, to be supple-
7 mental to the appropriation made for this purpose for the
8 fiscal year 1943, and to be available for the same objects,
9 \$2,149,876: *Provided*, That the limitation upon the amount
10 which may be expended for travel expenses under this head
11 for the fiscal year 1943 is hereby increased to \$157,340 and
12 the limitation of thirty-six passenger vehicles is hereby
13 increased to forty-nine.

14 FEDERAL WORKS AGENCY

15 Public Works Administration: For an additional amount
16 for administrative expenses of the Public Works Administra-
17 tion, fiscal year 1943, including the objects specified under
18 this head in the Independent Offices Appropriation Act, 1943,
19 \$93,160, of the funds appropriated by the Public Works
20 Administration Appropriation Act of 1938.

21 Public Roads Administration: For flight strips, to be
22 additional to the appropriation under this head in the Third
23 Supplemental National Defense Appropriation Act, 1942,
24 \$5,000,000.

1 SMALLER WAR PLANTS CORPORATION

2 Smaller War Plants Corporation: Not to exceed \$7,-
3 500,000 of the funds of the Smaller War Plants Corporation
4 acquired in accordance with the Act of June 11, 1942 (Pub-
5 lic Law 603), shall be available during the fiscal year 1943
6 to the Corporation for the payment of the salaries of the
7 directors thereof and for transfer to the War Production
8 Board (hereinafter called the Board) and through the Board
9 to other agencies of the Government, as advances or reim-
10 bursement, for or on account of expenditures of the Board or
11 such other agencies for the Corporation in performing the
12 functions prescribed for the Corporation by said Act: *Pro-*
13 *vided*, That, as determined by the Board, or such officer as
14 may be designated by the Board for the purpose, expendi-
15 tures (including expenditures for services performed on a
16 force account or contract or fee basis) necessary in acquiring,
17 operating, maintaining, improving, or disposing of real or
18 personal property belonging to the Corporation or in which
19 it has an interest, shall be incurred by the Corporation in
20 accordance with the provisions of said Act, and such expendi-
21 tures shall not be included within the said limitation of
22 \$7,500,000: *Provided further*, That funds transferred to the
23 Board or to other agencies of the Government as aforesaid
24 shall be merged with funds appropriated to the Board or
25 other agency, as the case may be, and shall acquire the avail-

1 ability for expenditure of the funds to which transferred:
2 *Provided further*, That no part of said \$7,500,000 shall be
3 obligated or expended unless and until an appropriate ap-
4 propriation account shall have been established therefor pur-
5 suant to an appropriation warrant or a covering warrant, and
6 all such expenses shall be accounted for and audited in ac-
7 cordance with the Budget and Accounting Act, as amended.

8 DEPARTMENT OF AGRICULTURE

9 OFFICE OF THE SECRETARY

10 Office for Agricultural War Relations: For all expenses
11 necessary to enable the Secretary of Agriculture to discharge
12 the functions of the Office for Agricultural War Relations,
13 including personal services in the District of Columbia and
14 elsewhere; the employment of experts without regard to civil-
15 service and classification laws; the purchase of books of refer-
16 ence, periodicals, and newspapers; printing and binding; and
17 the maintenance, repair, and operation of one motor-propelled
18 passenger-carrying vehicle for official purposes in the District
19 of Columbia, \$475,000.

20 DEPARTMENT OF COMMERCE

21 OFFICE OF ADMINISTRATOR OF CIVIL AERONAUTICS

22 Establishment of air-navigation facilities: For an
23 additional amount for establishment of air-navigation facil-
24 ities, to be supplemental to the appropriation made for this

1 purpose for the fiscal year 1943 and to be available for the
2 same objects, \$1,218,375.

3 Maintenance and operation of air-navigation facilities:
4 For an additional amount for maintenance and operation of
5 air-navigation facilities, to be supplemental to the appropria-
6 tion made for this purpose for the fiscal year 1943 and to
7 be available for the same objects, \$3,647,900.

8 Technical development: For an additional amount for
9 technical development, to be supplemental to the appropria-
10 tion made for this purpose for the fiscal year 1943 and to
11 be available for the same objects, \$50,400: *Provided*, That
12 not to exceed \$320 shall be available for the purchase,
13 cleaning, and repair of uniforms for guards.

14 Washington National Airport: For an additional amount
15 for maintenance and operation, Washington National Air-
16 port, to be supplemental to the appropriation made for this
17 purpose for the fiscal year 1943 and to be available for the
18 same objects, \$28,500: *Provided*, That the limitation on the
19 amount which may be expended for the purchase, cleaning,
20 and repair of uniforms for the guards is hereby increased
21 from \$750 to \$1,570.

22 The appropriation of \$2,700,000 for construction of
23 hangars, and so forth, at the Washington National Airport,
24 contained in the First Supplemental Civil Functions Appro-

1 priation Act, 1941, approved October 9, 1940 (Public Law
2 812), is continued available until June 30, 1943.

3 Civilian pilot training: For an additional amount for
4 civilian pilot training, fiscal year 1943, including the objects
5 specified under this head in the Department of Commerce
6 Appropriation Act, 1943, \$36,677,450, and the limitation
7 on the amount which may be transferred to the appropriation
8 "Enforcement of safety regulations, Office of Administrator of
9 Civil Aeronautics", is hereby increased from \$402,000 to
10 \$441,000.

11 DEPARTMENT OF THE INTERIOR

12 OFFICE OF PETROLEUM COORDINATOR FOR WAR

13 For all necessary expenses of the Office of Petroleum
14 Coordinator for War in performing its functions as pre-
15 scribed by the President (Fed. Reg., June 7, 1941), in-
16 cluding personal services in the District of Columbia; not
17 to exceed \$500,000 for personal services without regard
18 to the civil service and classification laws; printing and
19 binding; traveling expenses, including attendance at meet-
20 ings of organizations concerned with the purposes of this
21 appropriation, and actual transportation and other neces-
22 sary expenses and not to exceed \$10 per diem in lieu of
23 subsistence of persons serving in an advisory capacity to the
24 Coordinator while away from their homes without other com-
25 pensation from the United States, or at \$1 per annum;

1 contract stenographic reporting services; books of refer-
2 ence, newspapers, and periodicals; office supplies; furniture
3 and equipment, including exchange and repair thereof;
4 purchase, exchange, maintenance, repair, and operation of
5 passenger-carrying automobiles; other miscellaneous serv-
6 ices; and transfer of household goods and effects as pro-
7 vided by the Act of October 10, 1940, \$3,365,000: *Pro-*
8 *vided*, That section 3709, Revised Statutes, shall not
9 apply to any purchase or service rendered under this ap-
10 propriation when the aggregate amount involved does not
11 exceed \$300.

12 OFFICE OF SOLID FUELS COORDINATION

13 For all expenses necessary to enable the Secretary of the
14 Interior through such agencies within the Department of the
15 Interior as he may designate to perform the functions with
16 respect to Solid Fuels Coordination as prescribed by the
17 President (Fed. Reg., March 10, 1942), including the
18 employment without regard to civil-service and classification
19 laws of an assistant at not to exceed \$10,000 per annum and
20 not to exceed eight technical employees; other personal
21 services in the District of Columbia; printing and binding;
22 traveling expenses, including attendance at meetings of organ-
23 izations concerned with the purposes of this appropriation,
24 and actual transportation and other necessary expenses and
25 not to exceed \$10 per diem in lieu of subsistence of persons

1 serving, while away from their homes, in an advisory capacity
 2 without other compensation from the United States, or at \$1
 3 per annum; contract stenographic reporting services; books
 4 of reference, periodicals and newspapers; office supplies; fur-
 5 niture and equipment, including exchange and repair thereof;
 6 purchase, exchange, maintenance, repair, and operation of
 7 passenger-carrying automobiles; other miscellaneous services;
 8 and the acceptance and utilization of voluntary and uncom-
 9 pensated services; \$920,000: *Provided*, That section 3709,
 10 Revised Statutes, shall not apply to any purchase or service
 11 rendered under this appropriation when the aggregate amount
 12 involved does not exceed \$300.

13 BUREAU OF MINES

14 Enforcement of Federal Explosives Act: For all neces-
 15 sary expenses of the Bureau of Mines in performing the duties
 16 imposed upon it by the Federal Explosives Act, including
 17 not to exceed \$110,000 for personal services in the District
 18 of Columbia; books of reference, periodicals, and newspapers;
 19 not to exceed \$11,250 for printing and binding; contract
 20 stenographic reporting services; supplies and equipment;
 21 traveling expenses, including attendance at meetings of or-
 22 ganizations concerned with the purposes of this appropriation;
 23 maintenance, repair, and operation of passenger-carrying
 24 automobiles; purchase of special wearing apparel or equip-
 25 ment for the protection of employees while engaged in their

1 work; purchase in the District of Columbia and elsewhere
2 of other items otherwise properly chargeable to the appro-
3 priation "Contingent expenses, Department of the Interior";
4 \$540,000: *Provided*, That section 3709, Revised Statutes,
5 shall not apply to any purchase or service rendered under this
6 appropriation when the aggregate amount involved does not
7 exceed \$300: *Provided further*, That the Secretary of the
8 Interior, through the Director of the Bureau of Mines, is
9 hereby authorized to carry out projects hereunder in coopera-
10 tion with other departments or agencies of the Federal Gov-
11 ernment, the District of Columbia, States, Territories, insular
12 possessions, with other organizations or individuals, and with
13 foreign countries and the political subdivisions thereof.

14 DEPARTMENT OF JUSTICE

15 FEDERAL BUREAU OF INVESTIGATION

16 Salaries and expenses, detection and prosecution of crimes
17 (emergency) : For an additional amount for salaries and ex-
18 penses, during the national emergency, in the detection and
19 prosecution of crimes against the United States, to be supple-
20 mental to the appropriation made for this purpose for the
21 fiscal year 1943 and to be available for the same objects,
22 \$9,200,000, of which amount there may be expended not to
23 exceed \$375,000 for the purchase and exchange of motor-
24 propelled passenger-carrying vehicles; not to exceed \$50,000

1 to meet unforeseen emergencies of a confidential character,
2 to be expended under the direction of the Attorney General,
3 who shall make a certificate of the amount of such expendi-
4 ture as he may think it advisable not to specify, and every
5 such certificate shall be deemed a sufficient voucher for the
6 sum therein expressed to have been expended; and not to
7 exceed \$2,810,000 for personal services in the District of
8 Columbia.

9 POST OFFICE DEPARTMENT

10 OUT OF THE POSTAL REVENUES

11 OFFICE OF THE CHIEF INSPECTOR

12 The paragraph under the head "Clerks, Division Head-
13 quarters", appearing in the Post Office Department Appro-
14 priation Act, 1943, is amended to read as follows:

15 "Clerks, division headquarters: For compensation of
16 three hundred and thirty-two clerks at division headquarters
17 and other posts of duty of post-office inspectors, \$780,370."

18 Salaries: For an additional amount for salaries, Bureau
19 of Accounts, \$8,640.

20 DEPARTMENT OF STATE

21 FOREIGN INTERCOURSE

22 Contingent expenses, Foreign Service: For an additional
23 amount for contingent expenses, Foreign Service, including
24 the objects specified under this head in the Department of

1 State Appropriation Act, 1943; and including also the ex-
 2 penses of the dispatch agency at Miami, Florida; the purchase
 3 of not to exceed twenty passenger-carrying automobiles,
 4 thirteen of which shall not exceed a cost of \$2,000 each; and
 5 the purchase, rental, repair, and operation of microfilm
 6 equipment; \$48,000.

7 CONTRIBUTIONS, QUOTAS, AND SO FORTH

8 For an additional amount for United States contri-
 9 butions to international commissions, congresses, and bureaus,
 10 to enable the United States to become an adhering member
 11 of the Inter-American Statistical Institute and to pay its
 12 quota contribution as authorized in Public Law 417, ap-
 13 proved January 27, 1942, \$29,300.

14 COOPERATION WITH THE AMERICAN REPUBLICS

15 Cooperation with the American republics: Not to exceed
 16 \$100,000 of the appropriation "Cooperation with the Amer-
 17 ican republics", contained in the Department of State Ap-
 18 propriation Act for 1943, shall be available until June 30,
 19 1944.

20 TREASURY DEPARTMENT

21 OFFICE OF THE SECRETARY

22 Smaller War Plants Corporation, capital stock: To enable
 23 the Secretary of the Treasury to make payments for capital
 24 stock of the Smaller War Plants Corporation in accordance
 25 with the provisions of section 4 (b) of the Act of June 11,

1 1942 (Public Law 603), \$150,000,000, to remain available
2 until July 1, 1945.

3 Foreign-owned property control: For all expenses neces-
4 sary in carrying out the functions of the Secretary of the
5 Treasury under sections 3 and 5 (b) of the Act of October 6,
6 1917, as amended (50 U. S. C., App. 3), section 301 of the
7 First War Powers Act, 1941, and any proclamations, orders,
8 regulations, or instructions issued thereunder, including
9 personal services (without regard to classification laws),
10 printing, and reimbursement of any other appropriation
11 or other funds of the United States or any agency, instru-
12 mentality, Territory, or possession thereof, including the
13 Philippine Islands, and reimbursement of any Federal
14 Reserve bank for printing and other expenditures,
15 \$5,000,000.

16 Salaries: For an additional amount for salaries, Office
17 of the Secretary of the Treasury, fiscal year 1943, including
18 the objects specified under this head in the Treasury Depart-
19 ment Appropriation Act, 1943, \$134,280.

20 DIVISION OF PERSONNEL

21 Salaries: For an additional amount for salaries, Division
22 of Personnel, \$41,460.

23 OFFICE OF THE CHIEF CLERK

24 Salaries: For an additional amount for salaries, office
25 of the Chief Clerk, \$54,920.

1 CUSTODY OF TREASURY BUILDINGS

2 Salaries, operating force: For an additional amount for
3 salaries of operating force, \$81,360.

4 BUREAU OF ACCOUNTS

5 Salaries and expenses: For an additional amount for
6 salaries and expenses, Bureau of Accounts, fiscal year 1943,
7 including the objects specified under this head in the Treasury
8 Department Appropriation Act, 1943, \$70,000.

9 BUREAU OF THE PUBLIC DEBT

10 Expenses of loans: The indefinite appropriation "Ex-
11 penses of loans, Act of September 24, 1917, as amended and
12 extended" (31 U. S. C. 760, 761), shall not be used during
13 the fiscal year 1943 to supplement the appropriations other-
14 wise provided for the current work of the Bureau of the
15 Public Debt, and the amount obligated under such indefinite
16 appropriation during such fiscal year shall not exceed \$45,-
17 000,000 to be expended as the Secretary of the Treasury may
18 direct: *Provided*, That the proviso in the Act of June 16,
19 1921 (31 U. S. C. 761), limiting the availability of this
20 appropriation for expenses of operations on account of any
21 public debt issue to the close of the fiscal year next following
22 the fiscal year in which such issue was made, shall not apply
23 to savings bond transactions handled by the Federal Reserve
24 banks for account of the Secretary of the Treasury.

BUREAU OF CUSTOMS

Salaries and expenses: For an additional amount for collecting the revenue from customs, fiscal year 1943, including the objects specified under this head in the Treasury Department Appropriation Act, 1943, \$1,116,000.

BUREAU OF INTERNAL REVENUE

Salaries and expenses, collecting the internal revenue: For an additional amount for salaries and expenses, Bureau of Internal Revenue, fiscal year 1943, including the objects specified under this head in the Treasury Department Appropriation Act, 1943, \$127,740; and the limitation contained in such Act on the amount which may be expended for personal services in the District of Columbia is hereby increased from \$10,834,002 to \$10,961,742.

SECRET SERVICE DIVISION

Salaries and expenses: For an additional amount for suppressing counterfeiting and other crimes, fiscal year 1943, including the objects specified under this head in the Treasury Department Appropriation Act, 1943, \$350,500, and the limitation under said head on the number of motor-propelled, passenger-carrying vehicles which may be purchased is hereby increased from thirty-five to fifty-five.

WAR DEPARTMENT

MILITARY ACTIVITIES

OFFICE OF SECRETARY OF WAR

For payment to Booz, Fry, Allen and Hamilton, 135 South La Salle Street, Chicago, Illinois, for services rendered the War Department in making a survey of the executive offices of the War Department, \$3,298.47, which payment shall be in addition to the amount paid under Contract Numbered WSW 438, dated October 18, 1941, and authorized under the heading "Salaries, War Department" in the Fifth Supplemental National Defense Appropriation Act, 1941.

TITLE II—GENERAL PROVISIONS

SEC. 201. No part of any appropriation contained in this Act shall be used to pay the salary or wages of any person who advocates, or who is a member of an organization that advocates, the overthrow of the Government of the United States by force or violence: *Provided*, That for the purposes hereof an affidavit shall be considered prima facie evidence that the person making the affidavit does not advocate, and is not a member of an organization that advocates, the overthrow of the Government of the United States by force or violence: *Provided further*, That any person who advocates, or who is a member of an organization that advocates, the overthrow of the Government of the United States by force

1 or violence and accepts employment the salary or wages for
2 which are paid from any appropriation in this Act shall be
3 guilty of a felony and, upon conviction, shall be fined not
4 more than \$1,000 or imprisoned for not more than one year,
5 or both: *Provided further*, That the above penalty clause
6 shall be in addition to, and not in substitution for, any other
7 provisions of existing law.

8 SEC. 202. No part of any appropriation contained in
9 this Act or authorized hereby to be expended (except as
10 otherwise provided for herein) shall be used to pay the
11 compensation of any officer or employee of the Govern-
12 ment of the United States, whose post of duty is in con-
13 tinental United States unless such person is a citizen of
14 the United States, or a person in the service of the
15 United States on the date of the approval of this Act who
16 being eligible for citizenship had theretofore filed a decla-
17 ration of intention to become a citizen or who owes
18 allegiance to the United States. This section shall not
19 apply to citizens of the Commonwealth of the Philippines.

20 SEC. 203. Wherever appropriations in this Act for any
21 Federal agency are available for printing and binding, travel-
22 ing expenses, and the purchase of motor-propelled passenger-
23 carrying vehicles, the amounts expended for such purposes,
24 respectively, shall not exceed the sums set forth therefor in
25 the justifications of the Budget estimates of appropriations

1 for such agencies submitted to the Committee on Appropri-
2 ations, House of Representatives, in connection with this
3 Act; and wherever transfers from any such appropriation
4 are made to another Federal agency, other than an agency
5 acting solely in a procurement capacity, the amounts of such
6 transfers expended, respectively, for the foregoing purposes
7 shall not exceed the sums which the Director of the Bureau
8 of the Budget shall approve therefor in connection with each
9 such transfer.

10 SEC. 204. The appropriations and authority with respect
11 to appropriations contained herein for the fiscal year 1943
12 shall be available from and including July 1, 1942, for the
13 purposes respectively provided in such appropriations and
14 authority. All obligations incurred during the period be-
15 tween June 30, 1942, and the date of enactment of this Act
16 in anticipation of such appropriations and authority are
17 hereby ratified and confirmed if in accordance with the terms
18 thereof.

19 SEC. 205. This Act may be cited as the "First Supple-
20 mental National Defense Appropriation Act, 1943".

Passed the House of Representatives June 30, 1942.

Attest:

SOUTH TRIMBLE,

Clerk.

77TH CONGRESS
2d Session

H. R. 7319

AN ACT

Making supplemental appropriations for the national defense for the fiscal year ending June 30, 1943, and for other purposes.

JULY 1 (legislative day, JUNE 29), 1942

Read twice and referred to the Committee on
Appropriations

FIRST SUPPLEMENTAL NATIONAL DEFENSE APPROPRIATION BILL, 1943

JULY 10, 1942.—Ordered to be printed

189

Mr. McKELLAR, from the Committee on Appropriations, submitted
the following

REPORT

[To accompany H. R. 7319]

The Committee on Appropriations, to whom was referred the bill (H. R. 7319) making supplemental appropriations for the national defense for the fiscal year ending June 30, 1943, and for other purposes, report the same to the Senate with various amendments and present herewith information relative to the changes made.

Amount of bill as passed House.....	\$1, 808, 669, 615. 47
Increase by Senate.....	48, 132, 095. 43
Amount of bill as reported to Senate.....	1, 856, 801, 710. 90

OFFICE OF PRICE ADMINISTRATION

The estimate for the Office of Price Administration was \$161,000,000. The bill as it passed the House contained an item of \$75,000,000, and the bill as reported to the Senate recommends an appropriation of \$120,000,000. During the discussion of the bill, the Price Administrator was asked to review the Budget estimate and give the committee the benefit of such a restudy. Based on a restudy the Price Administrator submitted a revised budget amounting to \$140,000,000. The committee has further reduced the request of the Administrator to \$120,000,000, which amount is \$45,000,000 more than allowed by the House and \$41,000,000 less than the original Budget estimate.

The committee is of the opinion that in a number of instances the different divisions have too elaborate personnel set-ups, and that considerable savings can be made in the various offices. Specific attention is called to the number of employees contemplated for the Inspection Service. The original estimate for that Service called for approximately 6,000 employees. It is the feeling of the committee

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+ in the treasury not otherwise appropriated, for the national
5 defense for the fiscal year ending June 30, 1943, and for
6 other purposes, namely:

that that number can be reduced considerably and that the present force of approximately 3,000 inspectors and 1,300 clerks and stenographers constitute a force sufficient to carry out the function of inspection, and provision is made in the bill for that number of employees.

Another division that seemed to the committee to be overstaffed was the Legal Division. The original budget called for 4,518 employees, the greater proportion of whom were attorneys. It is believed that the number can be reduced by as much as one-third and still be able to furnish the legal services required.

It is also pointed out that the number of employees in Washington appear to be greatly in excess of the number necessary to handle efficiently the Washington office and that savings can be made by reducing that force. The items for travel and printing and binding appear to be excessively large and reductions in those items can be made without impairment of the service to be rendered by the Office of Price Administration.

It was pointed out to the committee that the need for clerical assistance to the local boards is becoming increasingly apparent, and it is the belief of the committee that with an appropriation of \$120,000,000 it will be possible to see that the local boards are given sufficient clerical help.

The committee has endeavored to point out where savings can be made, and feel that if proper consideration is given the suggestions herein made, it will be possible to operate the Office of Price Administration efficiently on the amount recommended.

The committee has written into the bill a provision that all employees of the Office of Price Administration receiving salaries of \$4,500 per annum or more must be appointed by the President, by and with the advice and consent of the Senate.

A proviso has also been added to the bill prohibiting the use of any funds available to the Office of Price Administration for the payment of subsidies.

Language has been added to the bill to assure that the purposes and provisions of the Emergency Price Control Act of 1942 with respect to agricultural commodities as embodied in section 3 will be fully carried out.

A further proviso has been written into the bill prohibiting the use of any part of the appropriation for the Office of Price Administration for the payment of any administrative expenses incurred in connection with or for the payment of the compensation of any officer or employee who renders services in connection with or gives his approval to, any order, regulation, or requirement (1) under which any contiguous region or territory, within which hardwood lumber of substantially the same kind and quality is produced, is divided into different areas or regions for the purpose of fixing maximum prices for such lumber, or (2) which fixes maximum prices for hardwood lumber produced in any part of any contiguous region or territory which are different from the maximum prices fixed for hardwood lumber of substantially the same kind and quality produced in other parts of such region or territory.

A general provision has also been inserted in the bill providing that no part of any appropriation contained in the act shall be used for paying any administrative expenses incurred in connection with, or for paying the compensation of, any officer or employee who renders services in connection with, or gives approval to, (1) any order, regula-

tion, or requirement under which an increase in the price of any commodity (including gasoline and other petroleum products) has been or is permitted for the purpose of providing for or allowing payments into a pool or fund for defraying increased transportation costs resulting from a change in the methods of transporting such commodity if such increase is applicable to any State with respect to which no change has been made in the usual method of transporting the major portion of such commodity sold within such State, unless a uniform increase in the price of the commodity has been permitted in all parts of the continental United States (not including Alaska) for such purpose; or (2) any arrangement or agreement under which payments with respect to any commodity (including gasoline and other petroleum products) sold in any State are made into a pool or fund for defraying increased transportation costs resulting from a change in the methods of transporting such commodity if no change has been made in the usual method of transporting the major portion of such commodity sold within such State, unless payments into such pool or fund are made at a uniform rate with respect to such commodity when sold in any part of the continental United States (not including Alaska).

The changes in the amounts of the House bill are as follows:

INCREASES AND LIMITATIONS

Senate:

Salaries, 3 laborers in Secretary's office from \$1,380	
to \$1,440 each-----	\$180. 00

Office of Emergency Management:

Division of Central Administrative Services:

It is recommended by the committee that the following proviso be stricken from the bill:

Provided further, That the constituent agencies (except the War Shipping Administration) of the Office for Emergency Management and the Office of Price Administration shall not establish in the District of Columbia or in the field, fiscal, personnel, procurement, space allocation or procurement, duplicating, distribution, communication, or other general services, wherever the Director of the Bureau of the Budget determines that the Division of Central Administrative Services can render any such service

and that there be inserted in lieu thereof the following:

: Provided further: That the Division of Central Administrative Services shall provide for the constituent agencies of the Office for Emergency Management and the Office of Price Administration, in the District of Columbia and in the field, all fiscal, personnel, procurement, duplicating, distribution, communication, and other general office services, shall procure and allocate all space for such agencies in the field, and shall establish uniform standards of use for office furniture and equipment and space, except where the Director of the Bureau of the Budget, because of special circumstances, determines that any of such functions may be more economically performed by such agencies or by other existing government agencies,

INCREASES AND LIMITATIONS—continued

Office of Emergency Management—Continued.

It was the opinion of the committee that the language in the House bill referred to was negative in character rather than positive and hence not as forceful as it should be. It is believed that the language recommended by the committee will correct this and will permit full advantage to be taken of economies which are possible in centralized purchasing, in the pooling of duplicating and communication facilities, and in the maximum utilization of space. It will prevent the establishment of duplicate facilities in the constituent agencies. It will provide for central fiscal controls. It will provide for greater uniformity and standardization in the use of equipment.

Office of Civilian Defense:

It is recommended by the committee that the following proviso be added to the bill:

: Provided, That no part of this appropriation shall be available to pay the salary of any person at the rate of \$4,500 per annum or more unless such person shall have been appointed by the President, by and with the advice and consent of the Senate.

Office of Coordinator of Inter-American Affairs:

Salaries and expenses-----

\$22, 500. 00

(This amount is to provide for the expenses of the National Indian Institute heretofore provided for under this office but for which no provision has been made for the fiscal year 1943.)

General provisions:

It is recommended by the committee that the following paragraph be stricken from the bill:

(b) The head of any of the constituent agencies may delegate to any other official in such agency the authority to make appointments of personnel and to make other administrative determinations necessary for the conduct of the business in such agency.

INCREASES AND LIMITATIONS—continued

Office of Emergency Management—Continued.

Office of Price Administration:

Salaries and expenses-----

\$45, 000, 000. 00

It is recommended by the committee that the following provisos be added to the bill:

: Provided further, That no part of this appropriation shall be available directly or indirectly for making subsidy payments

: Provided further, That no part of this appropriation shall be used to enforce any maximum price or prices on any agricultural commodity or any commodity processed or manufactured in whole or substantial part from any agricultural commodity unless and until (1) the Secretary of Agriculture has determined and published for such agricultural commodity the prices specified in section 3 (a) of the Emergency Price Control Act of 1942 and has redetermined and republished any such parity or comparable price after the first such determination and publication; (2) in case of a comparable price for such agricultural commodity, the Secretary of Agriculture has held public hearings and determined and published such comparable price in the manner prescribed by section 3 (b) of said Act; and (3) the Secretary of Agriculture has determined after investigation proclaimed that the maximum price or prices so established on any such agricultural commodity or any such product thereof will reflect to the producer of such agricultural commodity a price in conformity with section 3 (c) of said Act

: Provided further, That no part of this appropriation shall be used for paying any administrative expenses incurred in connection with, or for paying the compensation of any officer or employee who renders services in connection with or gives his approval to any order, regulation, or requirement (1) under which any contiguous region or territory, within which hardwood lumber of substantially the same kind and quality is produced, is divided into different areas or regions for the purpose of fixing maximum prices for such lumber, or (2) which fixes maximum prices for hardwood lumber produced in any part of any contiguous region or territory which are different from the maximum prices fixed for hardwood lumber of substantially the same kind and quality produced in other parts of such region or territory

: Provided, That no part of this appropriation shall be available to pay the salary of any person at the rate of \$4,500 per annum or more unless such person shall have been appointed by the President, by and with the advice and consent of the Senate

INCREASES AND LIMITATIONS—continued

Office of Emergency Management—Continued.

Office of Price Administration—Continued.

Salaries and expenses—Continued.

It is recommended by the committee that the last two provisos of the paragraph pertaining to the Office of Price Administration be amended to read as follows:

: *Provided further*, That no part of this appropriation shall be used for the compensation of any officer, agent, clerk or other employee of the United States who shall divulge or make known in any manner whatever to any person the operations, style of work, or apparatus of any manufacturer or producer visited by him in the discharge of his official duties, or the amount or source of income, profits, losses, expenditures, or any particular thereof, set forth or disclosed in any questionnaire, report, return, or document, required or requested to be filed by order or regulation of the Administrator or to permit any questionnaire, report, return, or document or copy thereof or any book containing any abstract or particulars thereof to be seen or examined by any person except as provided by law; nor for any person who shall print or publish in any manner whatever, except as hereinafter provided, any questionnaire, report, return, or document or any part thereof or source of income, profits, losses, expenditures, or methods of doing business, appearing in any questionnaire, report, return, or document: *Provided further*, That the foregoing provisions shall not be construed to prevent or prohibit the publication or disclosure of studies, graphs, charts, or other documents of like general character wherein individual statistics or the source thereof is not disclosed or identified directly or indirectly ~~nor to prevent the furnishing in confidence to other executive agencies of the Federal Government such data and information as may be useful to them in the performance of their duties.~~

Board of Investigation and Research—Transportation:

Salaries and expenses-----

\$500,000.00

Department of Agriculture:

Forest Service:

Forest Products Laboratory:

(\$30,000 of the appropriation made available for 1943 for the Forest Products Laboratory is hereby made available for the purchase of land.)

INCREASES AND LIMITATIONS—continued

Office of Emergency Management—Continued

Bureau of Home Economics:	
Salaries and expenses.....	\$20, 000. 00
(This amount is made available for conducting investigations on the palatability and nutritive value of certain dehydrated vegetables.)	

Department of the Interior:

Petroleum Conservation Division:	
Salaries and expenses.....	232, 000. 00
(This amount is for the necessary expenses for the administration and enforcement of the Connally Act approved Feb. 22, 1935, as amended by the Act of June 22, 1942.)	
Bureau of Indian Affairs:	
Payment to the middle Rio Grande conservancy district, New Mexico.....	22, 415. 43
Compensation and expenses of an attorney for the Shoshone Indians of Wyoming:	
(The sum of \$18,000 from tribal funds is made available for the salary and expenses of an attorney for the Shoshone Indians under a contract approved by the Assistant Secretary of the Interior on Feb. 13, 1942. The contract is for a period of three years beginning Jan. 31, 1942 at the rate of \$5,000 per annum plus \$3,000 for expenses over the 3-year period.)	
National Park Service:	
Salaries and expenses, National Capital parks....	15, 000. 00
Total, Department of the Interior.....	269, 415. 43

Department of Justice:

Salaries and expenses, Special War Effort Unit.....	125, 000. 00
(The Foreign Language Press Section of the Special War Effort Unit has been requested by other Government agencies to provide them with information pertinent to their work. By supplying this information duplication of translating activities in the several agencies will be avoided. It is contemplated that service will be provided the State, War, and Navy Departments and the Offices of War Information and Censorship.)	

Department of State:

Salaries, Office of the Secretary:	
American Hemisphere Exports Office.....	240, 000. 00
Division of American Republics, Section on Subversive Activities.....	40, 000. 00
Visa Board of Appeals.....	40, 000. 00
Total, salaries, office of the Secretary.....	320, 000. 00
Contingent expenses (departmental).....	23, 000. 00
Foreign Service, auxiliary (emergency).....	1, 300, 000. 00
Total, State Department.....	1, 643, 000. 00

INCREASES AND LIMITATIONS—continued

Treasury Department:

Foreign-owned property control:

It is recommended by the committee that the following proviso be added to the bill:

: Provided, That \$74,000 of this appropriation shall be transferred to the emergency fund for the President created by the Independent Offices Appropriation Act, 1942, as amended by the Independent Offices Appropriation Act, 1943, in reimbursement of said appropriation on account of the advance therefrom of a like sum for the purposes hereof.

Reimbursement to District of Columbia, benefit payments to White House Police and Secret Service forces-----

\$27, 000. 00

Bureau of Internal Revenue:

To defray the costs incurred by the Post Office Department in connection with the sale of automobile use tax stamps-----

525, 000. 00

Total, Treasury Department-----552, 000. 00

General provisions:

It is recommended by the committee that the following new section be added to the bill:

SEC. 204. No part of any appropriation contained in this Act shall be used for paying any administrative expenses incurred in connection with, or for paying the compensation of any officer or employee who renders services in connection with or gives approval to, (1) any order, regulation, or requirement under which an increase in the price of any commodity (including gasoline and other petroleum products) has been or is permitted for the purpose of providing for or allowing payments into a pool or fund for defraying increased transportation costs resulting from a change in the methods of transporting such commodity if such increase is applicable to any State with respect to which no change has been made in the usual method of transporting the major portion of such commodity sold within such State, unless a uniform increase in the price of such commodity has been permitted in all parts of the continental United States (not including Alaska) for such purpose, or (2) any arrangement or agreement under which payments with respect to any commodity (including gasoline and other petroleum products) sold in any State are made into a pool or fund for defraying increased transportation costs resulting from a change in the methods of transporting such commodity if no change has been made in the usual method of transporting the major portion of such commodity sold within such State, unless payments into such pool or fund are made at a uniform rate with respect to such commodity when sold in any part of the continental United States (not including Alaska).

It is recommended by the committee that the following new section be added to the bill:

SEC. 205. No part of the funds appropriated in this Act shall be expended to pay the salary of any person recruited from any other Government department or agency at a rate of compensation greater than that which such person was receiving from the department or agency from which recruited.

Total increase-----48, 132, 095. 43
Amount of bill as reported to Senate-----1, 856, 801, 710. 90

Calendar No. 1589

77TH CONGRESS
2D SESSION

H. R. 7319

[Report No. 1542]

IN THE SENATE OF THE UNITED STATES

JULY 1 (legislative day, JUNE 29), 1942

Read twice and referred to the Committee on Appropriations

JULY 10, 1942

Reported, under authority of the order of the Senate of July 9, 1942, by Mr.
McKELLAR, with amendments

[Omit the part struck through and insert the part printed in italic]

AN ACT

Making supplemental appropriations for the national defense for
the fiscal year ending June 30, 1943, and for other
purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That the following sums are appropriated, out of any money
4 in the Treasury not otherwise appropriated, for the national
5 defense for the fiscal year ending June 30, 1943, and for
6 other purposes, namely:

1 TITLE I—GENERAL APPROPRIATIONS

2 LEGISLATIVE

3 SENATE

4 *For an amount required to increase the salaries of three*
5 *laborers in the Office of the Secretary from \$1,380 to \$1,440*
6 *each, fiscal year 1943, \$180, effective July 1, 1942.*

7 JUDICIARY

8 DISTRICT COURT, PANAMA CANAL ZONE

9 Salaries: For an additional amount for salaries, District
10 Court, Panama Canal Zone, \$2,250.

11 EXECUTIVE OFFICE OF THE PRESIDENT

12 EMERGENCY FUND FOR THE PRESIDENT

13 Emergency fund for the President: To enable the Pres-
14 ident, through appropriate agencies of the Government, to
15 provide for emergencies affecting the national security and
16 defense and for each and every purpose connected there-
17 with, and to make all necessary expenditures incident thereto
18 for any purpose for which the Congress has previously made
19 appropriation or authorization and without regard to the
20 provisions of law regulating the expenditure of Government
21 funds or the employment of persons in the Government
22 service, such as section 3709 of the Revised Statutes and
23 the civil service and classification laws; and any waiver
24 hereunder of the provisions of any law regulating such
25 expenditure or such employment shall not be exercised by

1 any agency unless the allocation to such agency or subse-
2 quent action of the President in connection therewith permits
3 any such waiver to be availed of; \$100,000,000: *Provided*,
4 That in a total amount of not exceeding \$25,000,000
5 and within the purposes provided for in this para-
6 graph, the President may authorize the expenditure of
7 sums from this appropriation for objects of a confidential na-
8 ture and in any such case the certificate of the expending
9 agency as to the amount of the expenditure and that it is
10 deemed inadvisable to specify the nature thereof shall be
11 deemed a sufficient voucher for the sum therein expressed to
12 have been expended: *Provided further*, That the foregoing
13 appropriation and the foregoing limitation upon the amount
14 which may be expended for objects of a confidential nature,
15 are hereby respectively merged with the appropriation and
16 with the limitation for the same purpose under this head in the
17 Third Supplemental National Defense Appropriation Act,
18 1942: *Provided further*, That the President shall transmit
19 to Congress, on or before January 10, 1944, a report of the
20 expenditures from such total appropriation.

21 BOARD OF ECONOMIC WARFARE

22 Salaries and expenses: For all expenses necessary to
23 enable the Board of Economic Warfare to carry out its
24 functions and activities, including salaries of an Executive
25 Director at \$10,000 per annum and four assistants to the

1 Executive Director at \$9,000 per annum; personal services
2 (including aliens) in the District of Columbia and elsewhere;
3 the acceptance and utilization of voluntary and uncompen-
4 sated services; the temporary employment of persons or or-
5 ganizations by contract or otherwise without regard to the
6 civil-service and classification laws or section 3709 of the
7 Revised Statutes; procurement of necessary services, supplies,
8 and equipment without regard to section 3709, Revised Stat-
9 utes, for use (1) outside the continental limits of the United
10 States, including the rental of office space, and (2) within
11 the United States when the aggregate amount involved in
12 any one case does not exceed \$300; traveling expenses, in-
13 cluding (1) expenses of attendance at meetings of organiza-
14 tions concerned with the work of the Board, (2) actual
15 transportation and other necessary expenses, and not to ex-
16 ceed \$10 per diem in lieu of subsistence of persons serving
17 while away from their homes without other compensation
18 from the United States, in an advisory capacity to the Board,
19 (3) payment to the Chairman and the Executive Director
20 of the Board of actual and necessary transportation, sub-
21 sistence, and other expenses incidental to the performance of
22 their duties, and (4) expenses outside the United States
23 without regard to the Standardized Government Travel Reg-
24 ulations and the Subsistence Expense Act of 1926, as
25 amended, or any limitation of law or regulation governing the

1 payment of transportation and subsistence to military or naval
2 personnel, and section 901 of the Act of June 29, 1936 (49
3 Stat. 2015) ; transfer of household goods and effects as pro-
4 vided by the Act of October 10, 1940 (54 Stat. 1105) ;
5 preparation and transportation of the remains of officers and
6 employees who die abroad or in transit, while in the dispatch
7 of their official duties, to their former homes in this country
8 or to a place not more distant for interment, and for the or-
9 dinary expenses of such interment; purchase and exchange of
10 lawbooks and books of reference; the rental of news-report-
11 ing services; the purchase of, or subscription to, commercial
12 and trade reports, newspapers, and periodicals; the purchase
13 or rental of typewriters, adding machines, and other labor-
14 saving devices, and the repair and exchange of same; the
15 purchase, exchange, maintenance, operation, repair, and hire
16 of motor-propelled or horse-drawn passenger-carrying vehi-
17 cles; and printing and binding, \$12,000,000, of which amount
18 such sums as may be authorized by the Director of the
19 Bureau of the Budget may be transferred to other depart-
20 ments or agencies of the Government for the performance by
21 them of any of the functions or activities for which this appro-
22 priation is made: *Provided*, That no other agency of the
23 Government shall perform work or render services for the
24 Board of Economic Warfare, whether or not the performance
25 of such work or services involves the transfer of funds or re-

1 imbursement of appropriations, unless authority therefor by
2 the Bureau of the Budget shall have been obtained in ad-
3 vance: *Provided further*, That not to exceed \$500,000 of
4 this appropriation shall be available to meet emergencies of
5 a confidential character to be expended under the direction of
6 the Executive Director, who shall make a certificate of the
7 amount of such expenditure which he may think it advisable
8 not to specify, and every such certificate shall be deemed a
9 sufficient voucher for the amount therein certified.

10 Payments for articles and materials requisitioned: For
11 the purpose of making payments to the owners thereof for
12 articles and materials requisitioned under authority of the
13 Acts of October 10, 1940 (54 Stat. 1090), and October 16,
14 1941 (Public Law 274), the unexpended balance as of
15 June 30, 1942, of the fund consisting of (1) the allocation
16 of \$200,000 to the Economic Defense Board from the
17 emergency fund for the President by letter of November
18 26, 1941, and (2) the receipts credited to said appropri-
19 ation by the Act of October 10, 1940, and reallocated for
20 the same purpose by said letter of allocation, is hereby
21 continued available to the Board of Economic Warfare for
22 the fiscal year 1943: *Provided*, That receipts of the sales
23 of articles requisitioned by said Board under authority of
24 said Act of October 16, 1941, shall be deposited to the

1 credit of this fund and be immediately available for the
2 purposes thereof.

3 OFFICE OF CENSORSHIP

4 Salaries and expenses: For all expenses necessary to
5 enable the Office of Censorship to perform the functions
6 and duties prescribed by the President, including personal
7 services in the District of Columbia and elsewhere; the em-
8 ployment of aliens as examiners or translators; the employ-
9 ment of a Director and a Deputy Director at not exceed-
10 ing \$10,000 and \$9,000 per annum respectively; the accept-
11 ance and utilization of voluntary and uncompensated services;
12 not to exceed \$20,000 for temporary employment, without
13 regard to civil-service and classification laws; expenses of
14 attendance at meetings of organizations concerned with the
15 work of the Office; traveling expenses, including not to ex-
16 ceed \$10 per diem in lieu of subsistence and other expenses
17 of persons serving as advisers while away from their homes
18 without other compensation from the United States; transfer
19 of household goods and effects as provided by the Act of
20 October 10, 1940; printing and binding; hire, maintenance,
21 and repair of automobiles; purchase of guard uniforms, law-
22 books, books of reference, newspapers, periodicals, rubber
23 gloves, aprons, and other items necessary for protection of
24 clothing from chemicals, \$26,500,000: *Provided, That sec-*

tion 3709 of the Revised Statutes shall not be construed to apply to any purchase made by or service rendered for the Office of Censorship when the aggregate amount involved in such case does not exceed \$100 in the continental United States and \$500 outside the continental limits.

OFFICE FOR EMERGENCY MANAGEMENT

PAR. 1. For all necessary expenses of the constituent agencies of the Office for Emergency Management in paragraphs 2 to 12, inclusive, in performing their respective functions and activities, without regard to section 3709, Revised Statutes (except as otherwise specified herein), including (in addition to the objects specified respectively under each head) personal services in the District of Columbia and elsewhere; contract stenographic reporting services; lawbooks, books of reference, newspapers and periodicals; printing and binding; procurement of supplies and equipment, including typewriters, adding machines and other labor-saving devices and their repair and exchange; purchase and exchange, maintenance, operation, and repair of passenger-carrying automobiles, trucks, station wagons, and motorcycles; transfer of household goods and effects as provided by the Act of October 10, 1940; acceptance and utilization of voluntary and uncompensated services; and traveling expenses, including expenses of attendance at meetings of organizations concerned with the work of the agency

1 from whose appropriation such expenses are paid, and actual
2 transportation and other necessary expenses, and not to exceed
3 \$10 (unless otherwise specified) per diem in lieu of sub-
4 sistence, of persons serving while away from their permanent
5 homes or regular places of business in an advisory capacity
6 to or employed by any of such agencies without other com-
7 pensation from the United States, or at \$1 per annum, as
8 follows:

9 PAR. 2. Office of the Liaison Officer: For the Office of
10 the Liaison Officer, \$113,000. The Liaison Officer is hereby
11 authorized, in connection with the operations of the constitu-
12 ent agencies of the Office for Emergency Management, to con-
13 sider, ascertain, adjust, determine, and certify claims against
14 the United States in accordance with the Act of December
15 28, 1922 (31 U. S. C. 215), and to designate certifying
16 officers in accordance with the Act of December 29, 1941
17 (Public Law 389).

18 PAR. 3. Division of Central Administrative Services:
19 For the Division of Central Administrative Services,
20 \$9,000,000: *Provided*, That there may be transferred to this
21 appropriation from appropriations available to the constitu-
22 ent agencies of the Office for Emergency Management and
23 to the Office of Price Administration such amounts as may
24 be necessary for the procurement of supplies, equipment,

1 and services for such agencies and such Administration,
 2 and funds so transferred shall be consolidated with and shall
 3 be expendable in the same manner as this appropriation:
 4 *Provided further, That the constituent agencies (except the*
 5 *War Shipping Administration) of the Office for Emergency*
 6 *Management and the Office of Price Administration shall not*
 7 *establish, in the District of Columbia or in the field, fiscal,*
 8 *personnel, procurement, space allocation or procurement,*
 9 *duplicating, distribution, communication, or other general*
 10 *services, wherever the Director of the Bureau of the Budget*
 11 *determines that the Division of Central Administrative*
 12 *Services can render any such service* *Provided further, That*
 13 *the Division of Central Administrative Services shall provide*
 14 *for the constituent agencies of the Office for Emergency*
 15 *Management and the Office of Price Administration, in the*
 16 *District of Columbia and in the field, all fiscal, personnel,*
 17 *procurement, duplicating, distribution, communication, and*
 18 *other general office services, shall procure and allocate all*
 19 *space for such agencies in the field and shall establish uniform*
 20 *standards of use for office furniture and equipment and space,*
 21 *except where the Director of the Bureau of the Budget, be-*
 22 *cause of special circumstances determines that any of such*
 23 *functions may be more economically performed by such*
 24 *agencies or by other existing Government agencies.*

25 PAR. 4. Office of Civilian Defense: For the Office of

1 Civilian Defense, including salary of the Director at not
2 to exceed \$10,000 per annum. \$7,447,075: *Provided, That*
3 *no part of this appropriation shall be available to pay the*
4 *salary of any person at the rate of \$4,500 per annum or*
5 *more unless such person shall have been appointed by the*
6 *President, by and with the advice and consent of the Senate.*

7 PAR. 5. Office of the Coordinator of Inter-American
8 Affairs: For the Office of the Coordinator of Inter-American
9 Affairs, ~~\$28,628,000~~ \$28,660,500, including \$3,000,000
10 for payment of obligations incurred under the contract
11 authorization of \$3,000,000 under the head, Office for
12 Emergency Management, in the Second Deficiency Appro-
13 priation Act, 1941, and the unobligated portion of said
14 contract authorization is hereby continued in effect until
15 June 30, 1943; employment of aliens; entertainment of
16 officials and others of the other American republics; pay-
17 ment of living allowances to employees with official head-
18 quarters located abroad in accordance with the Act of
19 June 26, 1930 (5 U. S. C. 118a), and regulations pro-
20 mulgated thereunder; grants of money or property to gov-
21 ernmental and public or private nonprofit institutions and
22 facilities in the United States and the other American
23 republics; the free distribution, donation, or loan of pub-
24 lications, phonograph records, radio transcriptions, art works,
25 motion-picture films, educational material, and such ma-

1 terial and equipment as the Coordinator may deem neces-
2 sary and appropriate to carry out his program; such other
3 gratuitous assistance as the Coordinator deems advisable in the
4 fields of the arts and sciences, education and travel, publica-
5 tions, the radio, the press, and the cinema; paying the ex-
6 penses of transporting employees of the Office of the Coordi-
7 nator and their dependents and their effects from their
8 homes to their places of employment in the other American
9 republics, or from their homes in the other American re-
10 public to their places of employment, and return or from
11 one official station in the other American republics to another
12 for permanent duty when specifically authorized or approved
13 by the Coordinator under regulations approved by the Presi-
14 dent; causing corporations to be created under the laws of
15 the District of Columbia, any State of the United States, or
16 any of the other American republics, to assist in carrying out
17 the Coordinator's program and capitalizing such corporations:
18 *Provided*, That corporations heretofore or hereafter created
19 or caused to be created by the Coordinator primarily for opera-
20 tion outside the continental United States shall determine
21 and prescribe the manner in which their obligations shall be
22 incurred and their expenses allowed and paid without regard
23 to the provisions of law regulating the expenditure, account-
24 ing for and audit of Government funds, and may, in their
25 discretion, employ and fix the compensation of officers and

1 employees outside the continental limits of the United States
2 without regard to the provisions of law applicable to the
3 employment and compensation of officers and employees of
4 the United States: *Provided further*, That the Coordinator
5 shall transmit to the President immediately upon the close
6 of the fiscal year a complete financial report of the operations
7 of such corporations: *Provided further*, That not to exceed
8 \$500,000 of this appropriation shall be available to meet
9 emergencies of a confidential character to be expended under
10 the direction of the Coordinator, who shall make a certificate
11 of the amount of such expenditure which he may think it
12 advisable not to specify and every such certificate shall be
13 deemed a sufficient voucher for the amount therein certified.

14 PAR. 6. Office of Defense Health and Welfare Services:
15 For the Office of Defense Health and Welfare Services,
16 \$2,440,000, including not to exceed \$10,000 for the employ-
17 ment of aliens: *Provided*, That section 3709 of the Revised
18 Statutes shall not be construed to apply to any purchase made
19 by or service rendered for the Office of Defense Health and
20 Welfare Services when the amount involved does not exceed
21 the sum of \$100.

22 PAR. 7. Office of Defense Transportation: For the Office
23 of Defense Transportation, \$7,216,515.

24 PAR. 8. National War Labor Board: For the National
25 War Labor Board, \$1,167,000, including salaries at not to

1 exceed \$10,000 per annum each for the four public members
2 of the Board; actual transportation and other necessary ex-
3 penses, and not to exceed \$25 per diem in lieu of subsistence
4 (whether or not in a travel status) of members, alternate
5 members and associate members of the Board while serving
6 as such without other compensation from the United States:
7 *Provided*, That funds available to the National War Labor
8 Board for the fiscal year 1942 shall be construed as having
9 been available for the payment of expenses of the Board
10 incurred during said fiscal year in accordance herewith.

11 PAR. 9. Office of Scientific Research and Development:
12 For the Office of Scientific Research and Development,
13 \$73,000,000, including purchase of reports, documents,
14 plans, and specifications: *Provided*, That there may be paid
15 from this appropriation to the National Academy of Sciences
16 a sum not exceeding \$113,790 for the administrative and
17 overhead expenses incurred by said academy during the fiscal
18 year 1943 in carrying out research projects for Federal
19 agencies and such sum shall be in addition to any reimburse-
20 ment otherwise provided for. Notwithstanding the provi-
21 sions of section 3679 of the Revised Statutes (31 U. S. C.
22 665), the Office of Scientific Research and Development is
23 authorized, in making contracts for the conduct of investiga-
24 tions or experiments, to agree on behalf of the United States
25 to indemnify the contractor from such funds as may be here-

1 after appropriated for the purpose, against loss or damage
2 to persons or property arising from such work: *Provided*
3 *further*, That advances of funds may be made in connection
4 with contracts entered into by the Office of Scientific Research
5 and Development without regard to section 3648, Revised
6 Statutes: *Provided further*, That funds available to any
7 agency of the Government for scientific or technical research,
8 development, testing, construction of test models, experi-
9 mental production, or the provision of facilities therefor, shall
10 be available for transfer *with the approval of the head of the*
11 *agency involved*, in whole or in part, to the Office of Scientific
12 Research and Development, and funds so transferred shall be
13 expendable in the same manner as this appropriation.

14 PAR. 10. War Manpower Commission: For the War
15 Manpower Commission, \$3,114,000, including not to ex-
16 ceed \$10,000 for the employment of aliens: *Provided*,
17 That section 3709 of the Revised Statutes shall not be con-
18 strued to apply to any purchase made by or service rend-
19 ered for the War Manpower Commission when the amount
20 involved does not exceed the sum of \$100.

21 PAR. 11. War Production Board: For the War Pro-
22 duction Board, \$68,546,300, including not to exceed \$50,-
23 000 for the employment of aliens; not to exceed \$50,000
24 for the temporary employment of expert witnesses, by
25 contract or otherwise, without regard to the civil-service

1 or classification laws; and not to exceed \$500,000 for
2 scientific research on materials, material substitutes, and
3 other subjects related to the functions of the Board, with-
4 out regard to section 3648, Revised Statutes: *Provided*,
5 That funds available for expenses of the War Production
6 Board for the fiscal years 1942 and 1943 may be used for
7 the rental, maintenance, and operation of one airplane.

8 PAR. 12. War Relocation Authority: For the War Relo-
9 cation Authority, \$70,000,000, including expenses incident
10 to the extension of the program provided for in Executive
11 order of March 18, 1942, to persons of Japanese ancestry
12 not evacuated from military areas; salary of the Director at
13 not to exceed \$10,000 per annum; the employment of school
14 teachers and not to exceed \$195,000 for the employment of
15 other persons or organizations, by contract or otherwise,
16 without regard to the civil-service and classification laws:
17 employment of aliens; transfer of household goods and ef-
18 fects as provided by the Act of October 10, 1940, including
19 the travel expenses and the transfer of such goods and effects
20 of employees transferred from other Federal agencies to the
21 Authority at its request; purchase, exchange, maintenance,
22 repair, and operation of motor-propelled passenger-carrying
23 and other vehicles and equipment; not to exceed \$75,000
24 for payments to States or political subdivisions thereof, or
25 other local public taxing units, of sums in lieu of taxes

1 against real property acquired by the Authority for the
2 purposes hereof, or payments for the performance of govern-
3 mental services required in connection with the administra-
4 tion of the program; the disposal, by public or private
5 sale, of goods or commodities produced or manufactured in
6 the performance of activities hereunder, the proceeds of
7 which shall be deposited in a special fund and thereafter
8 shall remain available until expended for the purposes hereof:
9 *Provided*, That the provisions of the Act of February 15,
10 1934 (48 Stat. 351), as amended, relating to disability or
11 death compensation and benefits, shall apply to persons re-
12 ceiving from the United States compensation in the form
13 of subsistence, cash advances, or other allowances in accord-
14 ance with regulations prescribed by the Director of the
15 War Relocation Authority for work performed in connec-
16 tion with such program, including work performed in the
17 War Relocation Work Corps: *Provided further*, That this
18 provision shall not apply in any case coming within the pur-
19 view of the workmen's compensation laws of any State,
20 Territory, or possession, or in which the claimant has re-
21 ceived or is entitled to receive similar benefits for injury or
22 death.

23 PAR. 13. General provisions: Total, Office for Emer-
24 gency Management, paragraphs 1 to 12, inclusive, ~~\$268,863,~~

1 890 \$270,704,390, to be expended for, or in the administra-
 2 tion of the affairs of, the agencies within the Office for
 3 Emergency Management, paragraphs 1 to 12, inclusive, here-
 4 inafter called the constituent agencies, in accordance with
 5 the following provision:

6 (a) There may be transferred from any of the foregoing
 7 appropriations for the constituent agencies sums to other
 8 agencies of the Government for the performance by such other
 9 agencies of any of the functions or activities for which these
 10 appropriations are made: *Provided*, That no other agency
 11 of the Government shall perform work or render services
 12 for any of the constituent agencies, whether or not the per-
 13 formance of such work or services involves the transfer of
 14 funds or reimbursement of appropriations, unless authority
 15 therefor by the Bureau of the Budget shall have been obtained
 16 in advance.

17 ~~(b)~~ The head of any of the constituent agencies may
 18 delegate to any other official in such agency the authority
 19 to make appointments of personnel and to make other
 20 administrative determinations necessary for the conduct of
 21 the business in such agency.

22 ~~(c)~~ (b) Any employee of any of the constituent agencies
 23 is authorized and empowered, when designated for the pur-
 24 pose by the head of such agency, to administer to or take
 25 from any person an oath, affirmation, or affidavit, when

1 such instrument is required in connection with the perform-
2 ance of the functions or activities of such agency.

3 PAR. 14. War Shipping Administration: To increase the
4 War Shipping Administration fund, \$1,100,000,000, which
5 amount, together with other funds heretofore or hereafter
6 made available to such revolving fund, shall be available for
7 carrying on all the activities and functions of the War Ship-
8 ping Administration, under Executive order of February 7,
9 1942 (7 F. R. 837), and heretofore or hereafter lawfully
10 vested in such Administration by statute or otherwise, in-
11 cluding costs incidental to the acquisition, operation, loading,
12 discharging, and use of vessels transferred for use of any de-
13 partment or agency of the United States, and for all adminis-
14 trative expenses, including the employment and compensation
15 of persons in the District of Columbia and elsewhere, such
16 employment and compensation to be in accordance with laws
17 applicable to the employment and compensation of persons
18 by the United States Maritime Commission except section
19 201 (b) of the Merchant Marine Act, 1936 (49 Stat. 1985) ;
20 expenses of attendance, when specifically authorized by the
21 Administrator, at meetings concerned with the work of the
22 Administration; actual transportation and other necessary
23 expenses and not to exceed \$25 per diem in lieu of subsist-
24 ence of persons serving while away from their permanent
25 homes or regular places of business in an advisory capacity

1 to or employed by the Administration without other com-
2 pensation from the United States or at \$1 per annum;
3 printing and binding; lawbooks, books of reference, peri-
4 odicals and newspapers; contract stenographic reporting
5 services; purchase and exchange, maintenance, repair, and op-
6 eration of passenger-carrying automobiles; transfer of house-
7 hold goods and effects as provided by the Act of October 10,
8 1940; rent, including heat, light, and power, outside the Dis-
9 trict of Columbia; allowances for living quarters, including
10 heat, fuel, and light, as authorized by the Act of June 26,
11 1930; and the employment, on a contract or fee basis, of per-
12 sons, firms, or corporations for the performance of special
13 services, including accounting, legal, actuarial, and statistical
14 services, without regard to section 3709 of the Revised
15 Statutes: *Provided*, That when vessels are transferred or
16 assigned permanently by the War Shipping Admin-
17 istrator to other departments or agencies of the United
18 States Government for operation by them, funds for
19 the operation, loading, discharging, repairs, and al-
20 terations, or other use of such vessels may be trans-
21 ferred from the War Shipping Administration fund to the
22 applicable appropriations of the department or agency con-
23 cerned in such amounts as may be approved by the Director
24 of the Bureau of the Budget.

OFFICE OF PRICE ADMINISTRATION

Salaries and expenses: For all necessary expenses of the Office of Price Administration in carrying out the provisions of the Emergency Price Control Act of 1942 (Public Law 421), and the provisions of the Act of May 31, 1941 (Public Law 89), as amended by the Second War Powers Act, 1942 (Public Law 507), and all other powers, duties, and functions which may be lawfully delegated to the Office of Price Administration, including personal services in the District of Columbia and elsewhere; expenses of in-service training of employees, including salaries and traveling expenses of instructors; not to exceed \$55,000 for the employment of aliens; not to exceed \$30,000 for the temporary employment of persons or organizations, by contract or otherwise, without regard to section 3709, Revised Statutes, or the civil-service and classification laws; contract stenographic reporting services; witness fees; purchase of lawbooks, books of reference, newspapers, ~~press clippings~~, and periodicals; printing and binding; procurement of supplies, equipment, and services, including typewriters, adding machines, and other labor-saving devices and their repair and exchange; maintenance, repair, and operation of passenger-carrying vehicles; transfer of household goods and effects as provided by the Act of October 10, 1940, and traveling expenses, including (1)

1 attendance at meetings of organizations concerned with the
2 work of the Office of Price Administration; (2) actual trans-
3 portation and other necessary expenses and not to exceed \$10
4 per diem in lieu of subsistence of persons serving while away
5 from their homes in an advisory capacity without other com-
6 pensation from the United States, or at \$1 per annum:
7 ~~\$75,000,000~~ \$120,000,000, of which amount such sums as
8 may be authorized by the Director of the Bureau of the
9 Budget may be transferred to other departments or agencies
10 of the Government for the performance by them of any of
11 the functions or activities for which this appropriation is
12 made: *Provided*, That no other agency of the Government
13 shall perform work or render services for the Office of Price
14 Administration, whether or not the performance of such work
15 or services involves the transfer of funds or reimbursement of
16 appropriations, unless authority therefor by the Bureau
17 of the Budget shall have been obtained in advance: *Pro-*
18 *vided further*, That such appropriation of ~~\$75,000,000~~
19 \$120,000,000 shall be so administered during the fiscal
20 year 1943 as to constitute the total amount that will
21 be furnished to such Administration during such fiscal year
22 for the purposes set forth in this paragraph and shall
23 not be augmented by allocations or transfers of funds from
24 any other appropriation: *Provided further*, That no part of
25 this appropriation shall be used for the compensation of any

1 officer, agent, clerk or other employee of the United States
2 who shall divulge or make known in any manner whatever
3 to any person the operations, style of work, or apparatus of
4 any manufacturer or producer visited by him in the dis-
5 charge of his official duties, or the amount or source of in-
6 come, profits, losses, expenditures, or any particular thereof,
7 set forth or disclosed in any questionnaire, report, return,
8 or document, required *or requested* to be filed by order or
9 regulation of the Administrator or to permit any question-
10 naire, report, return, or document or copy thereof or any book
11 containing any abstract or particulars thereof to be seen or
12 examined by any person except as provided by law; nor for
13 any person who shall print or publish in any manner what-
14 ever, except as hereinafter provided, any questionnaire, re-
15 port, return, or document or any part thereof or source of
16 income, profits, losses, expenditures, or methods of doing
17 business, appearing in any questionnaire, report, return, or
18 document: *Provided further*, That the foregoing provisions
19 shall not be construed to prevent or prohibit the publication
20 or disclosure of studies, graphs, charts, or other documents
21 of like general character wherein individual statistics or the
22 source thereof is not disclosed or identified directly or indi-
23 rectly nor to prevent the furnishing in confidence to other
24 executive agencies of the Federal Government such data and
25 information as may be useful to them in the performance

1 ~~of their duties:~~ *Provided further, That no part of this ap-*
2 *propriation shall be available directly or indirectly for making*
3 *any subsidy payments: Provided further, That no part of*
4 *this appropriation shall be used to enforce any maximum*
5 *price or prices on any agricultural commodity or any com-*
6 *modity processed or manufactured in whole or substantial*
7 *part from any agricultural commodity unless and until (1)*
8 *the Secretary of Agriculture has determined and published*
9 *for such agricultural commodity the prices specified in sec-*
10 *tion 3 (a) of the Emergency Price Control Act of 1942 and*
11 *has redetermined and republished any such parity or com-*
12 *parable price after the first such determination and publica-*
13 *tion; (2) in case of a comparable price for such agricultural*
14 *commodity, the Secretary of Agriculture has held public*
15 *hearings and determined and published such comparable price*
16 *in the manner prescribed by section 3 (b) of said Act; and*
17 *(3) the Secretary of Agriculture has determined after in-*
18 *vestigation and proclaimed that the maximum price or prices*
19 *so established on any such agricultural commodity or any such*
20 *product thereof will reflect to the producer of such agricul-*
21 *tural commodity a price in conformity with section 3 (c) of*
22 *said Act: Provided further, That no part of this appropria-*
23 *tion shall be used for paying any administrative expenses in-*
24 *curring in connection with, or for paying the compensation of*
25 *any officer or employee who renders services in connection*

1 *with or gives his approval to any order, regulation, or re-*
 2 *quirement (1) under which any contiguous region or terri-*
 3 *tory, within which hardwood lumber of substantially the*
 4 *same kind and quality is produced, is divided into different*
 5 *areas or regions for the purpose of fixing maximum prices*
 6 *for such lumber, or (2) which fixes maximum prices for*
 7 *hardwood lumber produced in any part of any contiguous*
 8 *region or territory which are different from the maximum*
 9 *prices fixed for hardwood lumber of substantially the same*
 10 *kind and quality produced in other parts of such region or*
 11 *territory: Provided further, That no part of this appropria-*
 12 *tion shall be available to pay the salary of any person at the*
 13 *rate of \$4,500 per annum or more unless such person shall*
 14 *have been appointed by the President, by and with the advice*
 15 *and consent of the Senate.*

16 INDEPENDENT EXECUTIVE AGENCIES

17 BOARD OF INVESTIGATION AND RESEARCH—

18 TRANSPORTATION

19 *Board of Investigation and Research: For an additional*
 20 *amount for the Board of Investigation and Research, fiscal*
 21 *year 1943, including the objects specified under this head in*
 22 *the Third Supplemental National Defense Appropriation Act,*
 23 *1942, and including not to exceed \$14,000 for the temporary*
 24 *employment of persons or organizations, by contract or other-*

1 wise, without regard to section 3709, Revised Statutes, or
 2 the civil service and classification law, \$500,000, which
 3 amount shall be added to and merged with the unexpended
 4 balance, as of June 30, 1942, of the appropriation under said
 5 head: *Provided, That said section 3709, Revised Statutes,*
 6 *shall not apply to any purchase hereunder when the aggre-*
 7 *gate amount involved does not exceed the sum of \$50.*

8

CIVIL SERVICE COMMISSION

9 National defense activities: For national defense activi-
 10 ties, Civil Service Commission, to be supplemental to the
 11 appropriation made for this purpose for the fiscal year
 12 1943, and to be available for the same objects, \$4,147,476:
 13 *Provided, That the limitation upon the amount which may*
 14 *be expended for travel expenses under this head for the fiscal*
 15 *year 1943 is hereby increased to \$912,020.*

16

FEDERAL COMMUNICATIONS COMMISSION

17 National defense activities: For national defense activi-
 18 ties, Federal Communications Commission, to be supple-
 19 mental to the appropriation made for this purpose for the
 20 fiscal year 1943, and to be available for the same objects,
 21 \$2,149,876: *Provided, That the limitation upon the amount*
 22 *which may be expended for travel expenses under this head*
 23 *for the fiscal year 1943 is hereby increased to \$157,340 and*
 24 *the limitation of thirty-six passenger vehicles is hereby*
 25 *increased to forty-nine.*

FEDERAL WORKS AGENCY

Public Works Administration: For an additional amount for administrative expenses of the Public Works Administration, fiscal year 1943, including the objects specified under this head in the Independent Offices Appropriation Act, 1943, \$93,160, of the funds appropriated by the Public Works Administration Appropriation Act of 1938.

Public Roads Administration: For flight strips, to be additional to the appropriation under this head in the Third Supplemental National Defense Appropriation Act, 1942, \$5,000,000.

SMALLER WAR PLANTS CORPORATION

Smaller War Plants Corporation: Not to exceed \$7,- 500,000 of the funds of the Smaller War Plants Corporation acquired in accordance with the Act of June 11, 1942 (Public Law 603), shall be available during the fiscal year 1943 to the Corporation for the payment of the salaries of the directors thereof and for transfer to the War Production Board (hereinafter called the Board) and through the Board to other agencies of the Government, as advances or reimbursement, for or on account of expenditures of the Board or such other agencies for the Corporation in performing the functions prescribed for the Corporation by said Act: *Provided*, That, as determined by the Board, or such officer as may be designated by the Board for the purpose, expendi-

1 tures (including expenditures for services performed on a
 2 force account or contract or fee basis) necessary in acquiring,
 3 operating, maintaining, improving, or disposing of real or
 4 personal property belonging to the Corporation or in which
 5 it has an interest, shall be incurred by the Corporation in
 6 accordance with the provisions of said Act, and such expendi-
 7 tures shall not be included within the said limitation of
 8 \$7,500,000: *Provided further*, That funds transferred to the
 9 Board or to other agencies of the Government as aforesaid
 10 shall be merged with funds appropriated to the Board or
 11 other agency, as the case may be, and shall acquire the avail-
 12 ability for expenditure of the funds to which transferred:
 13 *Provided further*, That no part of said \$7,500,000 shall be
 14 obligated or expended unless and until an appropriate ap-
 15 propriation account shall have been established therefor pur-
 16 suant to an appropriation warrant or a covering warrant, and
 17 all such expenses shall be accounted for and audited in ac-
 18 cordance with the Budget and Accounting Act, as amended.

19 DEPARTMENT OF AGRICULTURE

20 OFFICE OF THE SECRETARY

21 Office for Agricultural War Relations: For all expenses
 22 necessary to enable the Secretary of Agriculture to discharge
 23 the functions of the Office for Agricultural War Relations,
 24 including personal services in the District of Columbia and
 25 elsewhere; the employment of experts without regard to civil-

1 service and classification laws; the purchase of books of refer-
 2 ence, periodicals, and newspapers; printing and binding; and
 3 the maintenance, repair, and operation of one motor-propelled
 4 passenger-carrying vehicle for official purposes in the District
 5 of Columbia, \$475,000.

6 *FOREST SERVICE*

7 *Forest products: Not to exceed \$30,000 of the appro-*
 8 *riation for experiments, investigations, and tests of forest*
 9 *products at the Forest Products Laboratory, or elsewhere,*
 10 *fiscal year 1943, shall be available for the acquisition of*
 11 *additional land adjacent to the present site of said labora-*
 12 *tory at Madison, Wisconsin.*

13 *BUREAU OF HOME ECONOMICS*

14 *Salaries and expenses: For an additional amount for*
 15 *salaries and expenses, Bureau of Home Economics, fiscal*
 16 *year 1943, including the objects specified under this head*
 17 *in the Department of Agriculture Appropriation Act, 1943,*
 18 *\$20,000.*

19 *DEPARTMENT OF COMMERCE*

20 *OFFICE OF ADMINISTRATOR OF CIVIL AERONAUTICS*

21 *Establishment of air-navigation facilities: For an*
 22 *additional amount for establishment of air-navigation facil-*
 23 *ities, to be supplemental to the appropriation made for this*
 24 *purpose for the fiscal year 1943 and to be available for the*
 25 *same objects, \$1,218,375.*

1 Maintenance and operation of air-navigation facilities:
2 For an additional amount for maintenance and operation of
3 air-navigation facilities, to be supplemental to the appropria-
4 tion made for this purpose for the fiscal year 1943 and to
5 be available for the same objects, \$3,647,900.

6 Technical development: For an additional amount for
7 technical development, to be supplemental to the appropria-
8 tion made for this purpose for the fiscal year 1943 and to
9 be available for the same objects, \$50,400: *Provided*, That
10 not to exceed \$320 shall be available for the purchase,
11 cleaning, and repair of uniforms for guards.

12 Washington National Airport: For an additional amount
13 for maintenance and operation, Washington National Air-
14 port, to be supplemental to the appropriation made for this
15 purpose for the fiscal year 1943 and to be available for the
16 same objects, \$28,500: *Provided*, That the limitation on the
17 amount which may be expended for the purchase, cleaning,
18 and repair of uniforms for the guards is hereby increased
19 from \$750 to \$1,570.

20 The appropriation of \$2,700,000 for construction of
21 hangars, and so forth, at the Washington National Airport,
22 contained in the First Supplemental Civil Functions Appropria-
23 tion Act, 1941, approved October 9, 1940 (Public Law
24 812), is continued available until June 30, 1943.

25 Civilian pilot training: For an additional amount for

1 civilian pilot training, fiscal year 1943, including the objects
2 specified under this head in the Department of Commerce
3 Appropriation Act, 1943, \$36,677,450, and the limitation
4 on the amount which may be transferred to the appropriation
5 "Enforcement of safety regulations, Office of Administrator of
6 Civil Aeronautics", is hereby increased from \$402,000 to
7 \$441,000.

8 DEPARTMENT OF THE INTERIOR

9 OFFICE OF PETROLEUM COORDINATOR FOR WAR

10 For all necessary expenses of the Office of Petroleum
11 Coordinator for War in performing its functions as pre-
12 scribed by the President (Fed. Reg., June 7, 1941), in-
13 cluding personal services in the District of Columbia; not
14 to exceed \$500,000 for personal services without regard
15 to the civil service and classification laws; printing and
16 binding; traveling expenses, including attendance at meet-
17 ings of organizations concerned with the purposes of this
18 appropriation, and actual transportation and other neces-
19 sary expenses and not to exceed \$10 per diem in lieu of
20 subsistence of persons serving in an advisory capacity to the
21 Coordinator while away from their homes without other com-
22 pensation from the United States, or at \$1 per annum;
23 contract stenographic reporting services; books of refer-
24 ence, newspapers, and periodicals; office supplies; furniture
25 and equipment, including exchange and repair thereof;

1 purchase, exchange, maintenance, repair, and operation of
2 passenger-carrying automobiles; other miscellaneous serv-
3 ices; and transfer of household goods and effects as pro-
4 vided by the Act of October 10, 1940, \$3,365,000: *Pro-*
5 *vided*, That section 3709, Revised Statutes, shall not
6 apply to any purchase or service rendered under this ap-
7 propriation when the aggregate amount involved does not
8 exceed \$300.

9 OFFICE OF SOLID FUELS COORDINATION

10 For all expenses necessary to enable the Secretary of the
11 Interior through such agencies within the Department of the
12 Interior as he may designate to perform the functions with
13 respect to Solid Fuels Coordination as prescribed by the
14 President (Fed. Reg., March 10, 1942), including the
15 employment without regard to civil-service and classification
16 laws of an assistant at not to exceed \$10,000 per annum and
17 not to exceed eight technical employees; other personal
18 services in the District of Columbia; printing and binding;
19 traveling expenses, including attendance at meetings of organ-
20 izations concerned with the purposes of this appropriation,
21 and actual transportation and other necessary expenses and
22 not to exceed \$10 per diem in lieu of subsistence of persons
23 serving, while away from their homes, in an advisory capacity
24 without other compensation from the United States, or at \$1

1 per annum; contract stenographic reporting services; books
2 of reference, periodicals and newspapers; office supplies; fur-
3 niture and equipment, including exchange and repair thereof;
4 purchase, exchange, maintenance, repair, and operation of
5 passenger-carrying automobiles; other miscellaneous services;
6 and the acceptance and utilization of voluntary and uncom-
7 pensated services; \$920,000: *Provided*, That section 3709
8 Revised Statutes, shall not apply to any purchase or service
9 rendered under this appropriation when the aggregate amount
10 involved does not exceed \$300.

11 *PETROLEUM CONSERVATION DIVISION*

12 *For an additional amount for the Petroleum Conserva-*
13 *tion Division, fiscal year 1943, to be supplemental to the ap-*
14 *propriation for this purpose for said fiscal year, and to be*
15 *available, in addition to the objects and purposes specified for*
16 *said appropriation, for all expenses necessary to administer*
17 *the Act of February 22, 1935 (49 Stat. 30), as amended,*
18 *including contract stenographic reporting services, stationery*
19 *and office supplies, and the purchase (not to exceed \$5,100),*
20 *exchange, hire, maintenance, operation, and repair of pas-*
21 *senger-carrying automobiles, \$232,000: Provided, That the*
22 *limitation on the amount which may be expended for printing*
23 *and binding is hereby increased from \$600 to \$3,600, and for*
24 *books, newspapers, and periodicals, from \$600 to \$700.*

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1 stenographic reporting services; supplies and equipment;
2 traveling expenses, including attendance at meetings of or-
3 ganizations concerned with the purposes of this appropriation:
4 maintenance, repair, and operation of passenger-carrying
5 automobiles; purchase of special wearing apparel or equip-
6 ment for the protection of employees while engaged in their
7 work; purchase in the District of Columbia and elsewhere
8 of other items otherwise properly chargeable to the appro-
9 priation "Contingent expenses, Department of the Interior":
10 \$540,000: *Provided*, That section 3709, Revised Statutes,
11 shall not apply to any purchase or service rendered under this
12 appropriation when the aggregate amount involved does not
13 exceed \$300: *Provided further*, That the Secretary of the
14 Interior, through the Director of the Bureau of Mines, is
15 hereby authorized to carry out projects hereunder in coopera-
16 tion with other departments or agencies of the Federal Gov-
17 ernment, the District of Columbia, States, Territories, insular
18 possessions, with other organizations or individuals, and with
19 foreign countries and the political subdivisions thereof.

20 *NATIONAL PARK SERVICE*

21 *Salaries and expenses, National Capital parks: For an*
22 *additional amount, fiscal year 1943, including the objects*
23 *specified under this head in the Interior Department Appro-*
24 *priation Act, 1943 (Public Law 645, Seventy-seventh Con-*
25 *gress), \$15,000.*

DEPARTMENT OF JUSTICE

FEDERAL BUREAU OF INVESTIGATION

Salaries and expenses, detection and prosecution of crimes (emergency) : For an additional amount for salaries and expenses, during the national emergency, in the detection and prosecution of crimes against the United States, to be supplemental to the appropriation made for this purpose for the fiscal year 1943 and to be available for the same objects, \$9,200,000, of which amount there may be expended not to exceed \$375,000 for the purchase and exchange of motor-propelled passenger-carrying vehicles; not to exceed \$50,000 to meet unforeseen emergencies of a confidential character, to be expended under the direction of the Attorney General, who shall make a certificate of the amount of such expenditure as he may think it advisable not to specify, and every such certificate shall be deemed a sufficient voucher for the sum therein expressed to have been expended; and not to exceed \$2,810,000 for personal services in the District of Columbia.

MISCELLANEOUS APPROPRIATIONS

Salaries and expenses, special war effort unit: For an additional amount for salaries and expenses, Special War Effort Unit, Department of Justice, fiscal year 1943, to be supplemental to the appropriation made for this purpose for

1 *said fiscal year and to be available for the same objects,*
 2 *\$125,000.*

3 POST OFFICE DEPARTMENT

4 OUT OF THE POSTAL REVENUES

5 OFFICE OF THE CHIEF INSPECTOR

6 The paragraph under the head "Clerks, Division Head-
 7 quarters", appearing in the Post Office Department Appro-
 8 priation Act, 1943, is amended to read as follows:

9 "Clerks, division headquarters: For compensation of
 10 three hundred and thirty-two clerks at division headquarters
 11 and other posts of duty of post-office inspectors, \$780,370."

12 Salaries: For an additional amount for salaries, Bureau
 13 of Accounts, \$8,640.

14 DEPARTMENT OF STATE

15 OFFICE OF THE SECRETARY OF STATE

16 *Salaries: For an additional amount for salaries, fiscal*
 17 *year 1943, including the objects specified under this head in*
 18 *the Department of State Appropriation Act, 1943, \$320,000.*

19 CONTINGENT EXPENSES (DEPARTMENTAL)

20 *Contingent expenses: For an additional amount for con-*
 21 *tingent expenses, Department of State, fiscal year 1943, in-*
 22 *cluding the objects under this head in the Department of*
 23 *State Appropriation Act, 1943, \$23,000.*

1 FOREIGN INTERCOURSE

2 *Foreign Service, auxiliary (emergency): For an addi-*
3 *tional amount for Foreign Service, auxiliary (emergency),*
4 *Department of State, fiscal year 1943, including the objects*
5 *specified under this head in the Department of State Appro-*
6 *priation Act, 1943, \$1,300,000.*

7 Contingent expenses, Foreign Service: For an additional
8 amount for contingent expenses, Foreign Service, including
9 the objects specified under this head in the Department of
10 State Appropriation Act, 1943; and including also the ex-
11 penses of the dispatch agency at Miami, Florida; the purchase
12 of not to exceed twenty passenger-carrying automobiles,
13 thirteen of which shall not exceed a cost of \$2,000 each; and
14 the purchase, rental, repair, and operation of microfilm
15 equipment; \$48,000.

16 CONTRIBUTIONS, QUOTAS, AND SO FORTH

17 For an additional amount for United States contri-
18 butions to international commissions, congresses, and bureaus,
19 to enable the United States to become an adhering member
20 of the Inter-American Statistical Institute and to pay its
21 quota contribution as authorized in Public Law 417, ap-
22 proved January 27, 1942, \$29,300.

23 COOPERATION WITH THE AMERICAN REPUBLICS

24 Cooperation with the American republics: Not to exceed
25 \$100,000 of the appropriation "Cooperation with the Amer-

1 ican republics", contained in the Department of State Ap-
 2 propriation Act for 1943, shall be available until June 30,
 3 1944.

4 TREASURY DEPARTMENT

5 OFFICE OF THE SECRETARY

6 Smaller War Plants Corporation, capital stock: To enable
 7 the Secretary of the Treasury to make payments for capital
 8 stock of the Smaller War Plants Corporation in accordance
 9 with the provisions of section 4 (b) of the Act of June 11,
 10 1942 (Public Law 603), \$150,000,000, to remain available
 11 until July 1, 1945.

12 Foreign-owned property control: For all expenses neces-
 13 sary in carrying out the functions of the Secretary of the
 14 Treasury under sections 3 and 5 (b) of the Act of October 6,
 15 1917, as amended (50 U. S. C., App. 3), section 301 of the
 16 First War Powers Act, 1941, and any proclamations, orders,
 17 regulations, or instructions issued thereunder, including
 18 personal services (without regard to classification laws),
 19 printing, and reimbursement of any other appropriation
 20 or other funds of the United States or any agency, instru-
 21 mentality, Territory, or possession thereof, including the
 22 Philippine Islands, and reimbursement of any Federal
 23 Reserve bank for printing and other expenditures,
 24 \$5,000,000: *Provided, That \$74,000 of this appropriation*
 25 *shall be transferred to the emergency fund for the President*

1 *created by the Independent Offices Appropriation Act, 1942,*
2 *as amended by the Independent Offices Appropriation Act,*
3 *1943, in reimbursement of said appropriation on account*
4 *of the advance therefrom of a like sum for the purposes*
5 *hereof.*

6 Salaries: For an additional amount for salaries, Office
7 of the Secretary of the Treasury, fiscal year 1943, including
8 the objects specified under this head in the Treasury Depart-
9 ment Appropriation Act, 1943, \$134,280.

10 *Reimbursement to District of Columbia, benefit payments*
11 *to White House Police and Secret Service forces: To enable*
12 *the Secretary of the Treasury to reimburse the District of*
13 *Columbia on a monthly basis for benefit payments made*
14 *from the revenues of the District of Columbia to members*
15 *of the White House Police force and such members of the*
16 *United States Secret Service Division as are entitled thereto*
17 *under the Act of October 14, 1940 (54 Stat. 1118), to the*
18 *extent that such benefit payments are in excess of the salary*
19 *deductions of such members credited to said revenues of the*
20 *District of Columbia during the fiscal year 1943, pursuant*
21 *to section 12 of the Act of September 1, 1916 (39 Stat.*
22 *718), as amended, \$27,000.*

23

DIVISION OF PERSONNEL

24 Salaries: For an additional amount for salaries, Division
25 of Personnel, \$41,460.

OFFICE OF THE CHIEF CLERK

Salaries: For an additional amount for salaries, office of the Chief Clerk, \$54,920.

CUSTODY OF TREASURY BUILDINGS

Salaries, operating force: For an additional amount for salaries of operating force, \$81,360.

BUREAU OF ACCOUNTS

Salaries and expenses: For an additional amount for salaries and expenses, Bureau of Accounts, fiscal year 1943, including the objects specified under this head in the Treasury Department Appropriation Act, 1943, \$70,000.

BUREAU OF THE PUBLIC DEBT

Expenses of loans: The indefinite appropriation "Expenses of loans, Act of September 24, 1917, as amended and extended" (31 U. S. C. 760, 761), shall not be used during the fiscal year 1943 to supplement the appropriations otherwise provided for the current work of the Bureau of the Public Debt, and the amount obligated under such indefinite appropriation during such fiscal year shall not exceed \$45,000,000 to be expended as the Secretary of the Treasury may direct: *Provided*, That the proviso in the Act of June 16, 1921 (31 U. S. C. 761), limiting the availability of this appropriation for expenses of operations on account of any public debt issue to the close of the fiscal year next following the fiscal year in which such issue was made, shall not apply

1 to savings bond transactions handled by the Federal Reserve
2 banks for account of the Secretary of the Treasury.

3 BUREAU OF CUSTOMS

4 Salaries and expenses: For an additional amount for
5 collecting the revenue from customs, fiscal year 1943, includ-
6 ing the objects specified under this head in the Treasury
7 Department Appropriation Act, 1943, \$1,116,000.

8 BUREAU OF INTERNAL REVENUE

9 Salaries and expenses, collecting the internal revenue:
10 For an additional amount for salaries and expenses, Bureau
11 of Internal Revenue, fiscal year 1943, including the objects
12 specified under this head in the Treasury Department Appro-
13 priation Act, 1943, ~~\$127,740~~ \$652,740; and the limitation
14 contained in such Act on the amount which may be expended
15 for personal services in the District of Columbia is hereby
16 increased from \$10,834,002 to \$10,961,742.

17 SECRET SERVICE DIVISION

18 Salaries and expenses: For an additional amount for
19 suppressing counterfeiting and other crimes, fiscal year 1943,
20 including the objects specified under this head in the Treas-
21 ury Department Appropriation Act, 1943, \$350,500, and
22 the limitation under said head on the number of motor-
23 propelled, passenger-carrying vehicles which may be pur-
24 chased is hereby increased from thirty-five to fifty-five.

WAR DEPARTMENT

MILITARY ACTIVITIES

OFFICE OF SECRETARY OF WAR

For payment to Booz, Fry, Allen and Hamilton, 135 South La Salle Street, Chicago, Illinois, for services rendered the War Department in making a survey of the executive offices of the War Department, \$3,298.47, which payment shall be in addition to the amount paid under Contract Numbered WSW 438, dated October 18, 1941, and authorized under the heading "Salaries, War Department" in the Fifth Supplemental National Defense Appropriation Act, 1941.

TITLE II—GENERAL PROVISIONS

SEC. 201. No part of any appropriation contained in this Act shall be used to pay the salary or wages of any person who advocates, or who is a member of an organization that advocates, the overthrow of the Government of the United States by force or violence: *Provided*, That for the purposes hereof an affidavit shall be considered prima facie evidence that the person making the affidavit does not advocate, and is not a member of an organization that advocates, the overthrow of the Government of the United States by force or violence: *Provided further*, That any person who advocates, or who is a member of an organization that advocates, the

1 overthrow of the Government of the United States by force
2 or violence and accepts employment the salary or wages for
3 which are paid from any appropriation in this Act shall be
4 guilty of a felony and, upon conviction, shall be fined not
5 more than \$1,000 or imprisoned for not more than one year,
6 or both: *Provided further*, That the above penalty clause
7 shall be in addition to, and not in substitution for, any other
8 provisions of existing law.

9 SEC. 202. No part of any appropriation contained in
10 this Act or authorized hereby to be expended (except as
11 otherwise provided for herein) shall be used to pay the
12 compensation of any officer or employee of the Govern-
13 ment of the United States, whose post of duty is in con-
14 tinental United States unless such person is a citizen of
15 the United States, or a person in the service of the
16 United States on the date of the approval of this Act who
17 being eligible for citizenship had theretofore filed a decla-
18 ration of intention to become a citizen or who owes
19 allegiance to the United States. This section shall not
20 apply to citizens of the Commonwealth of the Philippines.

21 SEC. 203. Wherever appropriations in this Act for any
22 Federal agency are available for printing and binding, travel-
23 ing expenses, and the purchase of motor-propelled passenger-
24 carrying vehicles, the amounts expended for such purposes,
25 respectively, shall not exceed the sums set forth therefor in

1 the justifications of the Budget estimates of appropriations
2 for such agencies submitted to the Committee on Appropri-
3 ations. House of Representatives, in connection with this
4 Act; and wherever transfers from any such appropriation
5 are made to another Federal agency, other than an agency
6 acting solely in a procurement capacity, the amounts of such
7 transfers expended, respectively, for the foregoing purposes
8 shall not exceed the sums which the Director of the Bureau
9 of the Budget shall approve therefor in connection with each
10 such transfer.

11 *SEC. 204. No part of any appropriation contained in*
12 *this Act shall be used for paying any administrative ex-*
13 *penses incurred in connection with, or for paying the com-*
14 *pensation of any officer or employee who renders services*
15 *in connection with or gives approval to, (1) any order,*
16 *regulation, or requirement under which an increase in the*
17 *price of any commodity (including gasoline and other petro-*
18 *leum products) has been or is permitted for the purpose*
19 *of providing for or allowing payments into a pool or fund*
20 *for defraying increased transportation costs resulting from*
21 *a change in the methods of transporting such commodity if*
22 *such increase is applicable to any State with respect to which*
23 *no change has been made in the usual method of transport-*
24 *ing the major portion of such commodity sold within such*
25 *State, unless a uniform increase in the price of such com-*

1 *modity has been permitted in all parts of the continental*
2 *United States (not including Alaska) for such purpose,*
3 *or (2) any arrangement or agreement under which pay-*
4 *ments with respect to any commodity (including gasoline*
5 *and other petroleum products) sold in any State are made*
6 *into a pool or fund for defraying increased transportation*
7 *costs resulting from a change in the methods of transporting*
8 *such commodity if no change has been made in the usual*
9 *method of transporting the major portion of such commodity*
10 *sold within such State, unless payments into such pool or*
11 *fund are made at a uniform rate with respect to such com-*
12 *modity when sold in any part of the continental United*
13 *States (not including Alaska).*

14 *SEC. 205. No part of the funds appropriated in this*
15 *Act shall be expended to pay the salary of any person re-*
16 *cruited from any other Government department or agency*
17 *at a rate of compensation greater than that which such per-*
18 *son was receiving from the department or agency from*
19 *which recruited.*

20 *SEC. ~~204~~ 206. The appropriations and authority with*
21 *respect to appropriations contained herein for the fiscal year*
22 *1943 and the appropriations and authority with respect to*
23 *appropriations contained in the Interior Department Appro-*
24 *priation Act, 1943, and the Act making appropriations for*
25 *the Department of State, the Department of Justice, the*

1 *Department of Commerce, and the Federal judiciary, for the*
2 *fiscal year ending June 30, 1943, and for other purposes,*
3 *shall be available from and including July 1, 1942, for the*
4 *purposes respectively provided in such appropriations and*
5 *authority. All obligations incurred during the period be-*
6 *tween June 30, 1942, and the date of enactment of this Act*
7 *and the respective dates of enactment of this Act and such*
8 *other appropriation Acts in anticipation of such respective*
9 *appropriations and authority are hereby ratified and con-*
10 *firmed if in accordance with the terms thereof.*

11 SEC. ~~205~~ 207. This Act may be cited as the "First
12 Supplemental National Defense Appropriation Act, 1943".

Passed the House of Representatives June 30, 1942.

Attest:

SOUTH TRIMBLE,

Clerk.

77TH CONGRESS
2^D SESSION

H. R. 7319

[Report No. 1542]

AN ACT

Making supplemental appropriations for the national defense for the fiscal year ending June 30, 1943, and for other purposes.

JULY 1 (legislative day, JUNE 29), 1942

Read twice and referred to the Committee on Appropriations

JULY 10, 1942

Reported with amendments

For those who fail to return, a grateful Commonwealth will add another monument. There are many monuments in Harrodsburg and in Mercer County, in that blessed Kentucky country, at the head of the meadow. This new monument will probably have on it only one word, Bataan, but no explanation will be needed because it will be symbolical of all things which the country holds dear and heroic.

In honor of the fine women who have waited in vain, there should be placed on the back of the monument a few lines in tribute to a courageous woman of that section, who, upon being notified of the death in battle of her second son, and finding that the postman likewise carried a similar letter to her friend and neighbor, hurriedly penned the following immortal lines of consolation to be delivered with the sad news:

These tall young sons,
Each straight as any pine,
Could they have always been yours and mine?
I knew some day that we must share them
But now today they are gone.
But oh, I am so glad
That we have had
Small sons to stoop to,
Tall sons to reach to,
Clean sons to give,
That other mother's sons may live.

More than 168 years of glorious history lie back of the people of this section of Kentucky, more than 150 years of equally heroic and brave history lie back of the people of the State of Kentucky; and by the help of God, and with such a spirit as that which these people have in their breasts, the freedom which we love and cherish shall not perish from the earth.

ORDER DISPENSING WITH CALL OF THE CALENDAR

Mr. McNARY. I ask for the regular order.

The PRESIDING OFFICER. The regular order is the calling of the calendar under rule VIII.

Mr. BARKLEY. I ask unanimous consent that the calling of the calendar be dispensed with.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

FIRST SUPPLEMENTAL NATIONAL DEFENSE APPROPRIATIONS

Mr. McKELLAR. Mr. President, before making the motion I intend to make, I wish to say that the Senator from Kentucky [Mr. BARKLEY] suggested that he did not care to have a vote on House bill 7319 today, but I think it had better be laid before the Senate. Of course, I yield to the suggestion made by the Senator, our leader, and shall not insist upon a vote today, but I now move that the Senate proceed to the consideration of House bill 7319, making supplemental appropriations for the national defense for the fiscal year ending June 30, 1943, and for other purposes.

Mr. McNARY. Mr. President, consideration of this bill was anticipated a few days ago, as was plainly stated, and it seemed to be agreeable to the wishes of the able Senator from Tennessee that the bill should not be brought up today if any objection were made to its con-

sideration. I should not like to have it come up today with the idea of taking a vote on final passage, or on any of the amendments, a number of which have been incorporated in the bill by the Committee on Appropriations of the Senate.

Mr. President, I have no objection to the bill being made the unfinished business and to having a general discussion upon the various provisions of the bill. In that way we might make some headway. But I should want a complete understanding that there shall be no vote today on any amendment or on the final passage of the bill. If such an agreement may be had, it might be helpful to go forward and read the bill, and at least discuss in a rather informal way the proposals which have been made by the committee.

Mr. BARKLEY. Mr. President, consent was given last week for the Committee on Appropriations to report the bill, which it has done, with a number of controversial amendments in it. The hearings have just been printed, and have not, I am sure, been read by Members of the Senate. Earlier today it was obvious to me that, in view of the absence of a large number of Senators who ought to be present, if possible, when these controversial matters are voted on, we could not get a vote on these matters today, and I suggested that the bill go over.

While I am on my feet I wish to give the reasons why I made that suggestion.

Mr. McNARY. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. McNARY. While consent was given to report the bill, I made the reservation against its being considered unless I consented to it.

Mr. BARKLEY. Oh, yes; I understand that. That is within the purview of the agreement.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. McKELLAR. I have no desire whatsoever even to proceed to the consideration of the bill today. I merely wish to make it the unfinished business.

Mr. BARKLEY. Mr. President, while I am on my feet I wish to call attention to two or three of the amendments which to me were unexpected. It was not necessary for the committee to advise me what they were going to do by way of amendment. Last week a number of Senators left the city, although they were warned that we could not in any way take an informal recess, or advise Senators to leave the city until the appropriation bills were enacted. The measure we are discussing was one which I specifically mentioned as pending, as well as the agricultural appropriations bill, which is still up a blind alley, so far as I can learn. At that time I did not contemplate or anticipate that the Senate Appropriations Committee would add some legislative amendments to the bill. I thought it would be strictly an appropriation bill, and that the only controversy probably would be with respect to the amount of appropriations for certain agencies.

The bill has now been reported with some amendments which are controversial. One of them is an amendment re-

quiring senatorial confirmation of all appointees who draw \$4,500 or more a year, and provides that those who have been appointed, and are in charge of the work in the various States, cannot be paid out of this appropriation unless they shall have been confirmed by the Senate. That will be argued when the time comes.

Mr. President, I am frank to say that I am opposed to that amendment. It is retroactive. It goes back and says that no one who has been appointed to any position paying that much money shall draw any money from this appropriation unless his name has been or is sent to the Senate.

In respect to the other war agencies, the list of which I will furnish when we reach that amendment in the Senate, no such requirement has been made. Naturally the proposal raises a question why this particular agency should be singled out, and why we should require that its appointees should be confirmed by the Senate.

Mr. President, it raises another question which to me is serious. We have taken note of criticisms of Congress, most of which have been unjust and unfair, and I have on every occasion defended the Congress for the magnificent job it has done, and I have asked that it be judged by its whole performance, rather than by two or three short-sighted, foolish actions which it may have taken. I think it is a fair request to make of the people of the country, that they judge Congress by its whole performance.

We are now in the midst of war. No one knows how long the war is going to last, and anyone who pretends to know how long it will last, or when it will end, is dealing in fantasies and in hallucinations. No one knows how much it is going to cost, or what sacrifices we shall have to make. I think it is fair to assume that before the war is over we shall have to make many more than we have even yet started to make.

So far we are retreating on all fronts. The Japanese have taken possession of the Philippines, Malaya, Singapore, Burma, and are making gains in China. The United Nations have been driven out of Libya, and are now in Egypt defending themselves. Hitler is making gains on the Russian front. I could mention other localities in which the news is discouraging. We have to fight a battle on the home front as well as on the foreign fronts. One of the battles on the home front is the battle against inflation, the battle to keep prices somewhat in line with necessities and the war situation. The bill under consideration makes appropriations for that purpose.

Mr. President, in the midst of this situation, with our people reading the newspapers with fear and trembling, and listening to the radio with apprehension lest they receive accounts of further advances made by the enemy, it seems to me it would be most unfortunate for the Senate of the United States to create the impression on the country and on the world that we are more interested in patronage, in securing some jobs, than we are in anything else. That is the im-

pression which may be left on the country if the amendment of which I am speaking shall be adopted.

I want Members of the Senate to think about that. It is not a personal matter. I have had my differences and disagreements with Mr. Henderson, and I have not recommended to him a single human being for any job in Washington, or in Kentucky, or anywhere else in the United States, and I have advised the people of my State that I have not done so, and have no intention of doing so. Of course, in taking that attitude I have "peevish" a good many of my friends, but I have done it, and I wish to say in that connection that I have never felt a greater relief with respect to anything than I have felt since I have advised the people of my State that I am taking no hand whatever in the appointment of anyone under the Office of Price Administration. It is not my job in the first place.

We cannot make a personal matter of this. We cannot afford to create the impression that we are more interested in jobs than in anything else. I know the amendment is not offered for that purpose, but I know the results which have flowed from unwise actions taken by us here, from errors into which we have fallen unintentionally, and probably without sufficient thought and foreknowledge. I know exactly what the country is going to say and what it is going to think, and we might as well make up our minds now, in advance, that if the amendment is adopted and kept in the law, the country is going to think that we are primarily interested in jobs.

If we have to confirm every appointee who is paid \$4,500 or more, it means that the Senator from each State must be consulted about the appointments made in his State, otherwise he might have the right to rise and express his objection to a nomination on the ground that it was personally offensive to him, or for some other reason, which would of course be made in good faith. But I am talking about the impression that will be gained by the country, and the interpretation that will be placed upon the amendment if it shall be adopted, especially in view of the fact that these appointments have been made in the States, and that the men appointed are now in charge of operations and at work. Whether they are the best men in every case is open to question; but they have been appointed, and they are now in charge and are operating under the Office of Price Administration in the States. To adopt an amendment which would require that the nominations of all these men should be ab initio, from the very beginning, sent here for confirmation, will result in their being uncertain whether they shall be allowed to go forward with their work. They will not know what their fate is to be. The State which is involved will not know what the result is to be if in any case the Senator from that State objects. There might be a rejection on the part of the Senate. It seems to me it will only create confusion, and that it is something which is not worth fighting over. That is the way I feel about it.

When the amendment is voted on, and when other amendments are voted on, I

want the Senate, so far as possible, to be here. We had a roll call today, and it was announced at the time that only 53 Senators answered. That means that 43 are absent. I want the Secretary of the Senate to send word to the absent Senators who can do so to return to the Senate. There are some who cannot. Certainly there ought to be more than 53 Senators on the floor of the Senate when these controversial amendments are voted on, and I hope absent Senators will return.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. CHAVEZ. I do not want any of the unfortunate things the Senator is speaking of to happen, but I ask in all sincerity if there are not other things to be considered if we are to obtain the unity which is so greatly desired. We all want to do our particular share in bringing about that unity. Is it not a fact that the senior Senator from Kentucky [Mr. BARKLEY] and the junior Senator from Kentucky [Mr. CHANDLER] know the situation in Kentucky better than outsiders do, and are they not in a better position to pass upon those who are appointed to the positions in question in their State?

After all, New Mexico has two Senators. Personally, I should prefer to have the senior Senator from New Mexico [Mr. HATCH] pass on the question, even though I were left out, rather than to have some official in Washington send someone into New Mexico from outside the State to conduct offices in New Mexico. I do not think there is anything wrong or vicious about such an attitude. I do not want to make it a political question, but I think that the senior Senator from New Mexico and the junior Senator from New Mexico know more about New Mexico than does Mr. Henderson.

Mr. BARKLEY. I am willing to grant that. I know more about Kentucky than does Mr. Henderson, and my colleague [Mr. CHANDLER] knows more about Kentucky than does Mr. Henderson. I know more about Kentucky than does Mr. Donald Nelson, but we did not require Mr. Nelson to submit to the Senate his appointments of State and regional administrators. I could give the Senator a list of a dozen or more war agencies, which have been created and which are now operating, which have regional and State directors. We have not required their appointments to be submitted to the Senate for confirmation.

This question came up months ago. The Senate adopted such an amendment, setting the limit at \$4,000. It went to conference and was eliminated in conference and did not become a part of the law. The law has been in operation for months. Many officials have been appointed. In view of the war situation, our people are in a state of anxiety. There is a disturbed state of mind on the part of millions of men, women, and boys who are involved in the war. They are involved not only on the battlefields, but on the oceans, and everywhere else where fighting is going on. The people are disturbed over the question of the cost of living, and the question of inflation.

All those questions are parts of the same picture. If now, in a retroactive sense, we are to require that all such appointments be approved by the Senate, I say that there is no escape from the interpretation which the country will place upon such action on our part, regardless of the good faith with which any Senator acts, if he is called upon to act. I think it would be most unfortunate for the Senate and for Congress, at this stage of the war situation, to create the impression in the country that we are primarily interested in patronage. I do not think we are, but I know what the country would say about it.

Mr. CHAVEZ. It is not a question of patronage. The Senator has said something about the people of the country having confidence in the administration. I know that in my State the people would have more confidence if the proper persons could be appointed from my State than if they were sent to my State from outside the State.

Mr. BARKLEY. That may be true. I would not dispute that statement. The people have confidence in many persons who are not Members of the Senate.

Mr. CHAVEZ. Why should any Senator, or any one else, think that the average Senator would vote against any official who is not in office?

Mr. BARKLEY. I do not know. If they are all to be confirmed, what good will it do to go back and dig into the question of their appointment? If no appointee is to be changed, what good will it do to go into the question?

Mr. CHAVEZ. It would do this much good: The legislative branch of the Government, which is trusted by the people, and which is supposed to represent the individual States, would have something to say as to the appointment of the proper persons.

Mr. BARKLEY. I do not want to enter into a lengthy argument on the question. I think the Senator will find, as I have found, and as I think most of the other Senators will find in their States, that the number of persons in the States who are exercised on the ground that the Senate as a whole, or the Senators from a particular State, have not passed upon the appointment of men to administer the O. P. A. in the States, is insignificant compared with the number who are primarily interested in seeing a good job done. If a good job is not done, the man at the head of the organization is responsible. We have given him the law, and we are asked to give him the necessary money. The bill does not provide him with all the money he has asked. I suppose that question will come up for discussion when we reach it.

We have enacted a law setting up a price-control administration. We have fixed the terms upon which it may operate. No one knows better than do the Senator and I that the job is a tough one.

Mr. CHAVEZ. I agree that it is a tough job.

Mr. BARKLEY. It requires a tough man to do it. It may be that the man we have is a little too tough. However, I think he is no tougher than will be required.

Mr. CHAVEZ. I think that those in the States could be trusted to do a good job.

Mr. BARKLEY. In my judgment, before we are through the price-control law will touch intimately every fireside, every corner grocery, and every manufacturer in the United States.

Mr. CHAVEZ. The people are already complaining.

Mr. BARKLEY. Yes; they are already complaining.

Mr. CHAVEZ. They are complaining that the Price Administrator has placed a ceiling on canned goods which are a part of the pack of last year or the year before.

Mr. BARKLEY. There is a long story connected with that subject. The Senator probably has gone into it.

Mr. CHAVEZ. I know that the people are already complaining.

Mr. BARKLEY. It is difficult to distinguish between canned goods packed at one time and canned goods packed at another time. The cost of canned goods had increased because the packers had to pay higher prices to the producers for fruits and vegetables. The Price Administrator could not very well fix one price on fruits and vegetables canned since March 1 and another price on fruits and vegetables canned before March 1. A level had to be fixed. The packers could not pay higher prices to the fruit and vegetable growers and come out without a loss on the canned product, and it was necessary to make a general increase. That is a detail which I do not care to go into.

The administration of this law is not our responsibility any more than is the administration of the Army or the Navy. We have given the authority. We have been asked to give money, and we are making a "stagger" at it. We may not give the Administrator as much as he wants or needs, but we are going to give him some.

In my State a rent administrator was appointed. Because he has no money he is sitting there waiting. He is not authorized to do anything. Complaints are coming in and letters are being published in the newspapers, because in the area over which he is supposed to preside he has no authority, no funds, and no assistants with whom to regulate rents in a great defense area. We are responsible if we fall short of providing the required amount of money to enforce the law which we have enacted.

Mr. CHAVEZ. That is correct; but I think the Senate should pass upon the appointments. That is our responsibility.

Mr. BARKLEY. I do not desire to debate these amendments until we reach them in order, but I want Senators to think about them and to have them in their minds. I want them to read the hearings before we consider the bill.

Another amendment in the bill is fashioned after a certain section of the law itself. It refers to the prices fixed upon manufactured products made from agricultural commodities. In the law which Congress enacted we provided parity, or 110 percent of parity, as the floor, not the ceiling. We said that the prices on agricultural products should

not be fixed at less than 110 percent of parity, or below the market price on a certain date in October, or below the market price on a certain date in December, whichever was the higher. There were four categories by which the Administrator might fix a ceiling on farm products. That provision, of course, applies to the basic products. Then there is a provision that the Secretary of Agriculture shall from time to time determine what comparable parity prices on other commodities may be. We have made an effort to establish prices on agricultural commodities other than the so-called basic commodities which would be comparable to 110 percent of parity.

Under the language of the amendment to which I refer the Price Administrator could not put a ceiling on the price of a suit of clothes made from wool from the back of a sheep until after the Secretary of Agriculture had held a public hearing and had determined what was the comparable parity price of the raw wool. Following that, the Administrator would have to enter into a process of book-keeping, investigation, and research, following the wool from the day it left the sheep until it arrived in the store of a merchant, so as to determine how much the suit of clothes ought to bring.

The situation is the same with respect to a pair of shoes made from leather. Under the language of the amendment, not only would the Secretary of Agriculture have to hold a hearing to determine the comparable parity price for hides, but in order to determine the relationship between the price of a pair of shoes and the price of the leather the Price Administrator would have to follow every process from the day the hide left the cow until the purchaser bought the pair of shoes.

The same situation would prevail with respect to hats; it would apply with respect to a barrel of flour; it would apply to everything manufactured from anything which comes from the farm. There is scarcely any manufactured product which is not made from products of the farm, unless it is manufactured from minerals which come out of the ground.

I merely wished to invite the attention of the Senate to what is involved in the amendments. Let me mention one thing further along that line. The list of things made from products of the farm is practically inexhaustible. Take soap: The Price Administrator could not fix the price of a cake of soap until the Secretary of Agriculture had determined that the proposed maximum price on soap would permit the price of tallow to go up to the point where the price for mutton and lamb would reflect to the producers at least 100 percent of parity. Think of the circuitous and impossible situation which would be created for the Price Administrator.

Mr. NORRIS. Is there such a provision in the bill?

Mr. BARKLEY. There is nothing in the bill about soap; but the bill provides that none of the appropriation may be used for the purpose of enforcing the Price Control Act to the extent of fixing the price of any manufactured product which is made in whole or substantial

part from an agricultural product until the Secretary of Agriculture has determined by public hearing what the comparable parity price for such product would be—whether tallow, mutton, or lamb—in order to ascertain whether the price of a cake of soap had been fixed too low or too high.

I merely wanted to call the attention of the Senate to this matter. I know that other Senators will disagree with my interpretation of the law, but I wanted Senators to be thinking about it and to read the hearings. Also I wanted to call to the attention of Senators who are absent the need of their returning. I hope the Secretary of the Senate will send messages asking them to return because I do not think a measure which affects the whole war effort and our whole economy should be voted upon when there are in the Senate Chamber only four more Senators than the number necessary to constitute a quorum.

Mr. HATCH and Mr. CLARK of Missouri addressed the Chair.

The PRESIDING OFFICER (Mr. DOWNEY in the chair). Does the Senator from Kentucky yield; and if so, to whom?

Mr. BARKLEY. I yield first to the Senator from New Mexico, and then I shall yield to the Senator from Missouri.

Mr. HATCH. Mr. President, I merely wish to make an inquiry with reference to what the Senator from Kentucky has said. If we are to have an effective price-control act, granting that that is the purpose of the legislation which Congress has already enacted, is it not true that if the amendment with reference to which the Senator has been speaking is agreed to, an amendment applying to agricultural commodities, the Price Administrator will practically be limited, so far as effective control is concerned, to control of the prices of only those articles which are not derived from farm commodities?

Mr. BARKLEY. I think so; it is my opinion that the proposed amendment would so limit him.

Mr. HATCH. In that event we might as well abolish the Office of Price Administration.

Mr. BARKLEY. It is my opinion that, if agreed to, the amendment would so limit him that he would have no authority whatsoever to control the prices that fix the cost of living; because he would be powerless to control the price of anything that goes into the home, other than articles made of iron and steel, which come from the ground; and, of course, such articles are restricted at this time anyway. The amendment, if agreed to, would scuttle the entire program of undertaking to control the rise in the cost of living.

I have on my desk a chart to which I shall refer a little later, showing the rise in the cost of living, and attempting to break it down into various categories. If the bill is enacted with the language of the proposed amendment, so that the Price Administrator will not be able to use any of the \$120,000,000 or \$140,000,000 of \$175,000,000, whichever it is, for the purpose of enforcing a price ceiling on a manufactured product, because it is made

in whole or in substantial part from an agricultural commodity, in my judgment, we might as well not delude ourselves into the belief that we shall have any price control at all; because in that event we shall not have any.

Mr. HATCH. Let me ask one more question: If we eliminate from the Price Control Act—and I say "eliminate" because if the long-drawn-out process of hearings which is contemplated is adopted we might as well eliminate it—all control of prices of farm commodities, as the Senator from Kentucky has so well said, price control will be limited almost to minerals, which come out of the ground.

Mr. BARKLEY. That is true.

I now yield to the Senator from Missouri.

Mr. CLARK of Missouri. Mr. President, I wish to call the Senator's attention to the fact that the amendment appearing on pages 24 and 25 is printed in the form of one amendment, whereas it comprises five or six substantive propositions, to some of which the Senator from Kentucky has referred. I also wish to point out that there is no possible connection on the face of the earth between any of them except that all of them happen to deal with the Office of Price Administration.

Mr. BARKLEY. That is true.

Mr. CLARK of Missouri. I entirely agree with what the Senator from Kentucky has said regarding the desirability and necessity of having a larger attendance in the Senate when the Senate passes this one most important matter but it seems to me to be equally important that when the time comes for the larger representation of the Senate to pass upon this matter the Senators present should pass upon each substantive proposition separately, instead of having all of them lumped together, which would require that we vote either for all of them or against all of them.

Mr. BARKLEY. Yes.

Mr. CLARK of Missouri. I now give notice that when the time comes I intend to demand a division of the so-called committee amendment appearing on pages 24 and 25.

Mr. BARKLEY. I agree with the Senator from Missouri in what he has very effectively stated; and I may say that the amendments not only have no relation to the price-control law but no relation to each other.

Mr. CLARK of Missouri. That is the point I was making. Not only have they no connection with the Office of Price Administration but no connection with each other.

Mr. BARKLEY. Yes.

Mr. CLARK of Missouri. Senators who favor the amendment relating to persons drawing salaries of \$4,500 or more, but who are opposed to the amendment providing for lengthy hearings, should not be required to vote either for both propositions or against them. When they vote they should have an opportunity to vote for the ones they may favor and against the ones they may disapprove.

Mr. BARKLEY. Yes; of course, Senators should have such an opportunity.

Mr. President, I have concluded what I wanted to say. I did not intend to talk so long. However, inasmuch as the committee has just reported, and the hearings have just been printed, I wanted the Senate and the country, so far as my voice can reach it, to know what is involved in the hearings and in the bill as a whole.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. TYDINGS. As the Senator has pointed out, more Members of the Senate should be present when this important provision is acted upon. With the Senator's permission, I should like to suggest that, if possible, some day this week be fixed as the day for a vote on these matters. If that were done, I think a great many Members of the Senate would make an effort to be present, whereas if the time of voting is left indeterminate it is rather difficult to ascertain whether it will be this week, next week, or the following week.

Mr. BARKLEY. Yes; I appreciate that situation. Let me say that I am quite satisfied that Senators who are absent are not absent because of any particular fault of theirs. They have business at home; some of them have illness at home, and for one legitimate reason or another they have been absent for the past week or two because there has been a lull in the Senate's proceedings and there has been no particular requirement for them to be here.

Mr. TYDINGS. That is correct.

Mr. BARKLEY. I am satisfied that most of them cannot return by tomorrow, so we should not vote on these amendments tomorrow. I do not care whether the vote is had on Wednesday, Thursday, Friday, or some subsequent day, but I think that Senators who are interested should be present when a vote is taken.

I hope the Senator from Tennessee will cooperate with me in seeing to it that the bill is not taken up today and made the unfinished business with a view to having it disposed of tomorrow, unless the attendance of Senators tomorrow is to be very much greater than it is at the present time.

Mr. TYDINGS. Will the Senator yield to me, to permit me to ask him a question?

Mr. BARKLEY. I yield.

Mr. TYDINGS. I take it from what the Senator has said that, after full discussion, he will try to have the fullest possible vote, and that it may be possible to have such a vote by Wednesday or Thursday. Am I correct in my understanding?

Mr. BARKLEY. Yes; I think so.

Mr. McKELLAR. Mr. President, I desire to take up first the last matter argued by the Senator from Kentucky. It is remarkable how short our memories are. On June 30, 1942, the Price Control Act became law. I shall read from section 3 thereof. If Senators who are interested in it will look at the amend-

ments and refer to page 24 of the bill, they will be able to follow the language.

I now read section 3 (a), not of some other act, but of the Price Control Act. It reads as follows:

AGRICULTURAL COMMODITIES

SEC. 3. (a) No maximum price shall be established or maintained for any agricultural commodity below the highest of any of the following prices, as determined and published by the Secretary of Agriculture: (1) 110 percent of the parity price for such commodity, adjusted by the Secretary of Agriculture for grade, location, and seasonal differentials, or, in case a comparable price has been determined for such commodity under subsection (b), 110 percent of such comparable price, adjusted in the same manner, in lieu of 110 percent of the parity price so adjusted; (2) the market price prevailing for such commodity on October 1, 1941; (3) the market price prevailing for such commodity on December 15, 1941; or (4) the average price for such commodity during the period July 1, 1919, to June 30, 1929.

(b) For the purposes of this act, parity prices shall be determined and published by the Secretary of Agriculture as authorized by law. In the case of any agricultural commodity other than the basic crops corn, wheat, cotton, rice, tobacco, and peanuts, the Secretary shall determine and publish a comparable price whenever he finds, after investigation and public hearing, that the production and consumption of such commodity has so changed in extent or character since the base period as to result in a price out of line with parity prices for basic commodities.

There has been some talk about soap and about clothes made out of agricultural products. In the committee there was talk about hams not being agricultural products. I believe some of the witnesses so declared.

I read further from the Price Control Act:

(c) No maximum price shall be established or maintained for any commodity processed or manufactured in whole or substantial part from any agricultural commodity below a price which will reflect to producers of such agricultural commodity a price for such agricultural commodity equal to the highest price therefor specified in subsection (a).

In the hearings it was testified that that provision of the act had not been complied with by the Price Control Administration.

Mr. BARKLEY. Mr. President, will the Senator yield there?

Mr. McKELLAR. I yield.

Mr. BARKLEY. The committee amendment is by way of limitation of the law. Subsection (b) of the law provides:

For the purposes of this act, parity prices shall be determined and published by the Secretary of Agriculture as authorized by law.

That is the triple-A law which was referred to; and he not only has the right under that law to change the parity of any of the basic commodities from time to time, based upon the relative cost of other things to the farmer, but he has the right also to determine the comparable parity prices for agricultural products that are not covered by the basic agricultural act, which are corn, wheat, cotton, tobacco, rice, and peanuts.

I do not know whether the Secretary of Agriculture has determined those things,

but the Price Administrator cannot control the Secretary of Agriculture in regard to that matter. The limitation in the bill, while it does, in a sense, follow the language of subsection (b)—

Mr. McKELLAR. Not "in a sense," but accurately in the most minute way; it follows it almost word for word. It was testified that these provisions of the Price Control Act—not the A. A. A. Act, or any other agricultural act—were not being complied with and that it was held by the general counsel, Mr. Ginsburg, that articles manufactured from agricultural products were not agricultural products. The purpose of this amendment is to provide that the Price Control Act shall be carried out just as the Congress passed it. I do not know whether 96 Senators were present when the act was passed by this body. I remember that I voted against it, but that is immaterial.

Mr. BARKLEY. I will say to the Senator that when the price-control bill was under consideration in the Senate, that language was not in it; it had been considered, but it had been withdrawn or eliminated.

Mr. McKELLAR. It is in the act now.

Mr. BARKLEY. It was put in by the House, and remained in the bill in conference. But here is the language in the Senate committee amendment which is not in the act. I read it:

(2) in case of a comparable price for such agricultural commodity, the Secretary of Agriculture has held public hearings and determined and published such comparable price in the manner prescribed by section 3 (b) of said act.

In subsection (c) there is nothing that would require the Secretary of Agriculture to hold public hearings.

Mr. McKELLAR. But there is in subsection (b). It says:

the Secretary shall determine and publish a comparable price whenever he finds, after investigation and public hearings—

If I understand that language, that is what the committee proposal seeks to do.

Mr. BARKLEY. That leaves it somewhat in his discretion as to whether he will undertake to hold public hearings, but he has got to make an investigation.

Mr. McKELLAR. The Senator, of course, may have his opinion about that. I am merely reading it, and it says:

In the case of any agricultural commodity other than the basic crops corn, wheat, cotton, rice, tobacco, and peanuts the Secretary shall determine and publish a comparable price whenever he finds after investigation and public hearings—

And so forth. In other words, the provision in the bill is designed solely and alone to cause the Price Administrator to enforce the provisions of section 3 of the act which he administers. If that is wrong, then the committee is wrong. I wish to say for the committee that it held hearings on this feature and other features of the bill for 2 weeks, working frequently from 6 to 8 hours a day, and sometimes longer than that; on several days the hearings lasted until after 6 o'clock, as Senators who are on the committee will remember. We have tried as best we could to do what was right.

The Congress having passed and the President having signed the Price Control Act, including section 3, therefore we thought it was entirely fair and proper that the Price Control Administrator should be required to carry out the provisions of the act under which he is operating.

Mr. President, I shall not say more about it.

Mr. BARKLEY. Mr. President, will the Senator yield for a question?

Mr. McKELLAR. I yield.

Mr. BARKLEY. In the hearings, which I have not as yet had an opportunity to read, did the committee inquire of Mr. Henderson or others who appeared for the O. P. A. into the wisdom of the amendment we are now talking about, involving a limitation on manufactured products. Was that gone into?

Mr. McKELLAR. I think the whole thing was gone into. I know that someone connected with O. P. A. testified, as I recall—I will have to look it up in order to be accurate as I do not wish to be unfair to anyone—

Mr. BARKLEY. I am merely asking for information.

Mr. McKELLAR. I am saying that, as I recall, someone testified that a ham was not included in this amendment because it was not a hog.

Mr. THOMAS of Oklahoma. Mr. President, will the Senator yield.

Mr. McKELLAR. I yield.

Mr. THOMAS of Oklahoma. It was testified that milk as it came from the cow was an agricultural product, but when it was put into a bottle it ceased to be an agricultural product.

Mr. McKELLAR. That is my recollection.

Mr. BARKLEY. I inquire who testified as to that?

Mr. THOMAS of Oklahoma. It is in the record.

Mr. McKELLAR. With that kind of testimony before us, showing that there was an explicit disregard of the act, that the Price Control Administration were not paying a particle of attention to it; that it was being held that if milk was put into a bottle it was no longer an agricultural product; that if wheat was ground into flour it was no longer an agricultural product; or if a hog was killed and divided up into hams and shoulders and ribs it was no longer an agricultural product—with that kind of testimony before us, can anyone feel that our committee was not doing its duty? We tried to do our duty, and that is all we sought to do.

The Senator from Kentucky talks about patronage. I wish to say that to the men whom Mr. Henderson has appointed in my State I have no objection at all; they are reputable, fine men. I would not have objected to them if their nominations had come before the Senate for confirmation.

They are entirely satisfactory to me, though I had nothing, under God's heaven, to do with their appointment or with recommending them, for I made no recommendations to Mr. Henderson. Like the Senator from Kentucky, I washed my hands of it. In the original price-control bill there was a provision

that the appointees receiving more than \$4,500—

Mr. BARKLEY. The figure was \$4,000, as I recall.

Mr. McKELLAR. Whatever the amount was, there was such a provision in the bill, but it was taken out in conference. So that ended that matter, and, personally, it was agreeable to me, because there was no one whom I desired to recommend; and it was no—I was about to make a misstatement; I started to say it was no affair of mine. I think, however, it is the affair of every Senator, it is the business of every Senator, to see that good men are appointed to public office. But I do not think there is any politics involved in this matter. If there is, I will say to the Senator from Kentucky, whom I love and admire very much, it is politics that comes from the officials who have been put in office here. It does not come from this body. Our body is simply carrying out its directions. The Constitution of the United States, which now seems to be a dead letter, provides that all officers of the Government shall be appointed by the President, by and with the advice and consent of the Senate. I have not forgotten that provision. I still am old fashioned enough to believe in the Constitution of the United States. I would not denounce it because we were in a war or because we were not in a war. I shall not denounce the applicable provisions of the Constitution at all, because I uphold them and believe in them.

Mr. BAILEY. Mr. President—

The PRESIDING OFFICER (Mr. MAYBANK in the chair). Does the Senator from Tennessee yield to the Senator from North Carolina?

Mr. McKELLAR. I yield.

Mr. BAILEY. I am sure the committee sought to do its duty.

Mr. McKELLAR. We have tried to do so in every possible way.

Mr. BAILEY. I would not raise any question about that. I think that when the debate comes on I may have something to say about the whole program of price fixing. I will merely suggest now that I think the program is in very great danger, not from the pending proposal, not from the Senate, but because it is not an over-all program. Price fixing must be an over-all program in order to be anything. So long as there is one loophole, everyone will want a loophole. But that is not the object of my remarks.

I wish to suggest to the Senator that withholding the appropriation is a most unusual way to undertake to compel an administrative officer to perform what the Senate concedes to be his duties in a limited matter, one phase of the administration. That is not the democratic process, that is not the parliamentary process. We could not afford to strike down the whole Price Administration on the hypothesis that the Administrator had failed to do this or that. We could not do that with the President.

Mr. McKELLAR. There is no purpose in this bill to do that.

Mr. BAILEY. This is a government of coordinate powers, and there is a method by which an official may be reached. There is the method of im-

peachment by the House of Representatives, and in the courts there can be mandamus, but I do not think the Congress can undertake to enforce its will by withholding appropriations.

The Senator has been speaking of the Constitution. I suggest that that is the bedrock.

Mr. McKELLAR. I believe it to be so.

Mr. BAILEY. If the Senator will permit me, I wish to say, further, that I fully agree with him that there is just as much danger of politics creeping into the departments by way of the departments' back doors and front doors as there is that politics would creep in by way of the United States Senate. The officials in the departments are human, and the Members of Congress are human. I have no complaint to make about this matter. Mr. Henderson called me up and asked me about the administrator for North Carolina. I at once asked him if the administrator had been suggested or recommended by the Governor, and he said that he had. I said, "Are you for him?" He replied in the affirmative. I said, "All right; then I am for him." So I have no complaint about that.

I think, however, that the Senate should be very careful how it abdicates its right, and how it abandons the check afforded by the Constitution. What is the reason for the check to which the Senator referred? It was put in at the beginning, when the public officers were few in number, and when there was really little danger. It was to prevent the administrative department of the Government from taking absolute control of the Government. It is infinitely more important, infinitely more necessary now, when we have committed the activities of the Government to a multitude of bureaus and an almost unlimited number of human beings. That is what I am thinking about.

I shall support the price-fixing legislation so far as I can. I shall go down the road in the war effort without reservation. I think I realize something of the seriousness of our situation. I am not saying others do not, but I think we should be guarded as we go along. I should like to have the Senate assert its functions. We do not abdicate, we do not withdraw. We are still here for a purpose. I think we might consider these things with a very great deal of seriousness.

I heard the Senator from Kentucky argue about what the people are worried about. They are in distress. I do not think they will ever worry about the Senate performing its constitutional duties. They will worry more when we fail to perform our duties. They will not worry when we are alert. They will worry when we are sound asleep.

I am glad we are to have the debate which has been referred to. I am glad the Senator from Kentucky has given notice, and demanded the presence of Senators here. We are at the crisis.

Mr. McKELLAR. I think it is very fine that such a debate should be held now.

Mr. BAILEY. We are at the crisis on the domestic front. We are probably at

the crisis on the war front. We are now in the midst of things.

I hope I do not have to elaborate on this point. We are at the crisis on the domestic front. We must pursue a course which will so appeal to the American people that they will unite as one man, and cease to quarrel and criticize. We have not pursued such a course so far. We must do so from now on or we shall fail to achieve unity. If we fail to have unity we shall no longer have a republic. That may sound extreme, but I do not think it is extreme.

There is a great deal of uneasiness in the country. I have thought lately that I might, in a humble way, undertake to make an analysis of the causes of the uneasiness. I believe this debate may afford such opportunity. The condition to which I refer does not relate merely to the Congress. It relates to the gasoline situation and the sugar situation.

Mr. WILEY. It relates also to tires.

Mr. BAILEY. It relates to the rubber situation. It relates to the feelings of the farmers throughout the country that we are going to fix the prices which they shall receive for their products, but are not to fix the prices of the things they buy.

Mr. McKELLAR. The Senator is entirely correct.

Mr. BAILEY. I read my correspondence. I do not say that the statements contained in it are always absolutely accurate, but when I have read it I usually have a pretty good cross section of public thought.

There is distress in the country because Mr. Knox told us the Navy was ready, and urged us to war. The Navy was not ready. There are 355 ships on the bottom of the sea within approximately 50 miles of our coast, between Maine and Florida. To ascertain the correct number of our losses we must take into consideration the area from Nova Scotia to the Caribbean. People are worried about that. They do not understand it. They have not been told anything that enables them to understand it.

We have come into this matter in the midst of the crisis. I intend to do the best I can concerning legislation, but I do not believe that we should be told we must do this and we must do that, merely because our failure to do so would be misunderstood or criticized. We have reached a point where we are forced to stand up and be "shot up" now and then, politically speaking.

I thank the Senator for the opportunity to make these remarks.

Mr. McKELLAR. The Senator is very kind, and I wish to commend him for the observations which he so ably made. I endorse every word he has uttered.

I wish to say, Mr. President, that our committee has not made any haphazard, "jerk water" report on the bill under consideration. We have not injected anything into it which can be considered improper, or not supported by the testimony taken by the committee. I do not think I ever knew of a committee which acted more carefully in an effort to ascertain the facts and make its recommendations.

Mr. Henderson asked for \$210,000,000 with which to conduct his office. The

Bureau of the Budget cut the amount to \$161,000,000. The estimate went to the subcommittee of the House Appropriations Committee, where the amount was fixed at \$95,000,000.

Mr. THOMAS of Oklahoma. It was \$75,000,000.

Mr. McKELLAR. The full committee and the House fixed it at \$75,000,000. So far as the Senate committee is concerned, we have recommended an appropriation of \$120,000,000. We increased it nearly two-fold.

The Senator from Arizona [Mr. HAYDEN], who, as we all know, is one of our most conscientious and careful legislators, said to Mr. Henderson, "You must look at this in the light of the facts. If we merely reported a recommendation of \$161,000,000 and sent it back to the House without further ado, we would not be able to get anywhere, and any service the Senate might perform in bringing about an adjustment in the matter would be lost. Take this bill back tonight and work over it and see what suggestions you can make to reduce the appropriation for which you are asking. Mr. Henderson agreed. He was very courteous and considerate about it, and the next day he brought the bill with the amount reduced by \$21,000,000.

Now, I shall state the further reductions the committee made. The committee felt that the legal division was overstaffed. The original budget called for 4,518 employees, the greater proportion of whom consisted of attorneys. There were some stenographers, but the majority were lawyers. There were not merely hundreds, there were thousands of lawyers in the set-up, and the committee thought that Mr. Henderson's department could well get along with one-third less of both lawyers and stenographers. It, therefore, cut down the number by one-third. Is there anything unreasonable in that? Offhand, we would all think that in the case of a new organization, just begun, which is engaged in no litigation at all at the present time, or in very little litigation, a reduction by one-third of such an enormous number of lawyers and stenographers would not be out of place, and we felt that the Senate would be delighted to agree that the sum proposed be fixed, so far as lawyers are concerned.

It was next pointed out that the number of employees in Washington was greatly in excess of the number necessary efficiently to handle the work of the office in Washington, and that savings could be made by the reduction of that force, and some reduction was made in it. Not a great deal of reduction was made, of course, but some was made.

The Office of Price Administration asked for five and one-half million dollars for printing and binding. We thought that at the very outset, for the first year, that was an enormous sum of money, and it could be reduced by one-third, and, as I recall, the amount was reduced by one-third.

Next I come to the matter of travel pay. The travel pay item was reduced because we reduced the number of inspectors. The number of additional inspectors was 3,000. We cut down the

number of 3,000 inspectors by one-third. Therefore we cut down their travel pay about one-third. That was a reasonable reduction. Can any Senator say that it was unreasonable? We know from our correspondence what these inspectors are frequently called; at least, from the letters which have come to me I know what they are called. They are frequently called "snoopers." They are generally known by the name "snoopers." They are persons who are sent from Washington, or perhaps some other place, to a particular area to examine into the private affairs of the people there, to see if they are violating the law or complying with the law.

Mr. President, all those reductions were exceedingly reasonable. There was a reason for every reduction we made. We have given this organization \$45,000,000 more than the House gave to it. The House gave it \$75,000,000. We have given it \$120,000,000. I do not see how any reasonable person in the world, after hearing the testimony, as we did for days, can feel that the committee acted unreasonably. We went into the question in the most painstaking kind of way. Mr. Henderson and those with him testified for 2 days. We gave him every opportunity to make any explanation he wanted to make. I was literally astounded when I woke up on Sunday morning to read that Mr. Henderson was dissatisfied with the report of the committee.

The question has been raised here with respect to the time when the officers in question should be reappointed, if the provision of the Constitution shall be adhered to, and it shall be required that they be appointed by the President by and with the advice and consent of the Senate. If there is any question with respect to the time when reappointments should be made or if the language of the amendment would result in any interference in any way with the administration of the organization, I am quite sure the Senate will correct it on the floor. It is not the intention of the committee to interfere with the administration of this agency. The purpose of the committee is in every reasonable and proper way to help make the administration a success, if it can be made a success.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. BARKLEY. I wish to say to the Senator from Tennessee, and to the other members of the committee, that we all pay tribute to the industry, the sincerity, and the good faith of the members of the Committee on Appropriations. We all have our views about questions here, and, of course, it does not follow that any committee can always be right. I am a member of several committees which are frequently wrong, however hard working and sincere they may be. So what I have to say is, of course, not to be taken in any way as a reflection on the committee.

Mr. McKELLAR. Oh, I understand that.

Mr. BARKLEY. But since the Constitution has been brought into the debate on the matter of confirmation, I should like at this point to read what it says. I

read from article 2, section 2, paragraph 2, as follows:

He—

Referring to the President—

shall have power, by and with the advice and consent of the Senate, to make treaties, provided two-thirds of the Senators present concur; and he shall nominate, and by and with the advice and consent of the Senate, shall appoint ambassadors, other public ministers and consuls, judges of the Supreme Court, and all other officers of the United States, whose appointments are not herein otherwise provided for, and which shall be established by law; but the Congress may by law vest the appointment of such inferior officers as they think proper in the President alone, in the courts of law, or in the heads of departments.

So there is no provision in the Constitution that the Senate shall have to confirm all the officers who are appointed. We have by law provided, without confirmation on the part of the Senate, for the appointment of officers in other war agencies, and the question I raised was why we should be so meticulous now at this late hour concerning the Constitution with respect to Mr. Henderson's organization when we have not been so meticulous with respect to all the other agencies. We violated no provision of the Constitution in failing to require the confirmation of these other appointees.

Mr. McKELLAR. Mr. President, the Senator is mistaken about the Senate not having done it. I do not think there has been before the Senate in many moons an appropriation bill which did not contain a provision of this kind. I know such action was taken this very year. This provision does not apply to Mr. Henderson's organization alone. Such a provision is contained in this very bill with respect to the O. C. D.

Mr. BARKLEY. Yes; in this very bill there is such a provision applying to the O. C. D., but such a provision was not carried in any measure dealing with the O. C. D. before, or in any measure dealing with the W. P. B.

Mr. McKELLAR. It was usually left out in conference.

Mr. BARKLEY. But it was not in the appropriations measures.

Mr. McKELLAR. In conference it was left out in appropriation and in other bills.

Mr. President, the Senator read very lightly the provision following the one which deals with the judges of the Supreme Court.

Mr. BARKLEY. I will read it more heavily.

Mr. McKELLAR. Now I will read it more heavily:

And all other officers of the United States, whose appointments are not herein otherwise provided for, and which shall be established by law.

And then I read the provision following:

But the Congress may by law vest the appointment of such inferior officers, as they think proper, in the President alone, in the courts of law, or in the heads of departments.

Neither Mr. Henderson nor Mr. Landis are heads of departments. So, looking at the Constitution as it is, I find its language to be even stronger than I

thought, because it speaks of "heads of departments."

Mr. BARKLEY. Does not the Senator realize that the language he read modifies the whole section of the Constitution? The President is not the head of a department, and yet we can authorize him to appoint Government officials.

Mr. McKELLAR. Yes; because the Constitution says we can.

Mr. BARKLEY. Yes.

Mr. McKELLAR. The Congress may place the power of appointment in the heads of departments, because the Constitution says it may. The Congress may by law place such power in the hands of the courts of law, because the Constitution says it may. There is nothing in the Constitution which says that the head of a bureau or of an independent organization of any kind shall have the right to appoint officers.

Mr. BARKLEY. Is Mr. Nelson the head of a bureau or the head of a department?

Mr. McKELLAR. He is the head of a bureau.

Mr. BARKLEY. He makes appointments.

Mr. McKELLAR. He is the head of the War Production Board. That is not a department.

Mr. BARKLEY. No; but he makes appointments which are not subject to confirmation by the Senate.

Mr. McKELLAR. Yes; I understand that; but it is illegally done, and by that I mean to cast no reflection on Mr. Nelson, either, because I think he is a good official.

Mr. President, a while ago the committee was charged with placing in the bill a number of amendments which were not proper on an appropriation bill. The only two amendments which are subject to a point of order are the two with respect to which I wish to give notice that I shall move to suspend the rule. At the proper time, when the bill comes up for consideration, I will make such motions.

NOTICES OF MOTIONS TO SUSPEND THE RULE—AMENDMENTS

Mr. McKELLAR submitted the following notice in writing:

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 7319) making supplemental appropriations for the national defense for the fiscal year ending June 30, 1943, and for other purposes, the following amendment, namely: On page 35, after line 19, to insert the following:

"Reduction of zinc concentrates with methane gas (national defense): For all necessary expenses, without regard to section 3709 of the Revised Statutes, for pilot tests on the reduction of zinc concentrates to metal with methane gas, including laboratory research, maintenance and operation of pilot plant; procurement of necessary material and ores; purchase or lease of land or buildings; construction and equipment of buildings to house pilot plant, including engagement by contract or otherwise, at such rates of compensation as the Secretary of the Interior may determine, of engineers, architects, or firms or corporations thereof necessary therefor; supplies and equipment; traveling expenses; not to exceed \$10,000 for personal services in the

District of Columbia; not to exceed \$500 for printing and binding; purchase (not to exceed \$1,850) including exchange, operation, maintenance, and repair of passenger-carrying automobiles; special wearing apparel and equipment for the protection of employees while employed; and the purchase in the District of Columbia and elsewhere of other items otherwise properly chargeable to the appropriation, "Contingent expenses, Department of the Interior"; fiscal year 1943, \$350,000, to remain available until expended: *Provided*, That the Secretary of the Interior is authorized to accept lands, buildings, equipment, and other contributions from public or private sources for the purposes hereof, and to carry out projects in cooperation with other agencies, Federal, State, or private."

Mr. McKELLAR also submitted an amendment intended to be proposed by him to the bill (H. R. 7319) making supplemental appropriations for the national defense for the fiscal year ending June 30, 1943, and for other purposes, which was ordered to lie on the table and to be printed.

(For text of amendment referred to, see the foregoing notice.)

Mr. McKELLAR also submitted the following notice in writing:

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 7319) making supplemental appropriations for the national defense for the fiscal year ending June 30, 1943, and for other purposes, the following amendment, namely: On page 37, line 18, after the figures "\$320,000" and before the period to insert a comma and the following: "of which \$40,000 is hereby made available, without regard to civil-service and classification laws, for salaries of members and other employees of the visa board of appeals: *Provided*, That salaries may be paid to the members of the board at a rate not exceeding \$10,000 per annum: *Provided further*, That no part of said \$40,000 shall be available to pay the salary of any person at a rate of \$4,500 per annum or more unless such person shall have been appointed by the President, by and with the advice and consent of the Senate."

Mr. McKELLAR also submitted an amendment intended to be proposed by him to the bill (H. R. 7319) making supplemental appropriations for the national defense for the fiscal year ending June 30, 1943, and for other purposes, which was ordered to lie on the table and to be printed.

(For text of amendment referred to, see the foregoing notice.)

Mr. McKELLAR. Mr. President, just a word or two more, and I shall have finished. I should like to have a vote on the motion to consider the bill. I should like to have the bill become the unfinished business. We can determine later when we shall vote on it.

Mr. BARKLEY. I have no doubt that we can later determine when we shall vote on any of the vital questions involved in the bill. I feel that the vote ought not to take place until Senators who are absent are given an opportunity to return. I am satisfied that many of them did not know, when they left Washington, that this matter would come up. I think they should have an opportunity to be present.

Mr. McKELLAR. We shall have no difficulty on that score. I ask that the Chair put the question.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Tennessee.

The motion was agreed to; and the Senate proceeded to consider the bill (H. R. 7319) making supplemental appropriations for the national defense for the fiscal year ending June 30, 1943, and for other purposes, which had been reported from the Committee on Appropriations with amendments.

Mr. McKELLAR. Mr. President, I entered the debate today only because of the statement made by my distinguished friend the Senator from Kentucky [Mr. BARKLEY]. Otherwise I should have let the matter proceed in the usual way. While I know that he did not intend to reflect on the Appropriations Committee, I feel that some of his remarks might be so construed. I wish to assure him and the Senate that the Committee on Appropriations is only trying to do its duty.

I do not think there is any feeling of any kind against anybody. It has been said that there is some feeling against Mr. Henderson. I have no feeling against Mr. Henderson. I treat him just as I treat others who come before our committee. A great many persons appear before our committee. Perhaps a thousand or more witnesses have been examined since the 5th of January. We have been constantly examining witnesses. What we report is not our private views. We are trying to report from the committee in accordance with the facts as members of the committee see them and obtain them from witnesses.

We have no desire to punish anybody. If we had any desire to punish anybody it is likely that after the House had reduced the appropriation to \$75,000,000 our committee would have added \$45,000,000? We added the \$45,000,000 not because of Mr. Henderson, and not because of any feeling, but because we felt that under the circumstances that amount of money will be required to perform the tasks which are ahead of Mr. Henderson.

I believe that with \$120,000,000 this work will go forward. If it is a feasible work, and susceptible of being carried to a successful conclusion, it will be done, and I feel that that amount of money will do the work. We merely want the law carried out, and we are willing to appropriate the necessary funds to carry it out.

Mr. DANAHER. Mr. President, I should like to ask the Senator from Tennessee two or three questions in order that he may be prepared in due course to discuss the matter.

The Senator from Pennsylvania [Mr. DAVIS] is necessarily temporarily absent from the Chamber because of a knee injury. He sent to me certain questions which he asked me to propound to the Senator from Tennessee, to the end that when the whole matter comes up for discussion the Senator from Tennessee may perhaps be better prepared, in behalf of the committee, to furnish the Senate with the answers.

The questions are:

First. Did the committee go into the Canadian system of price control, and if so, what is the Canadian system?

Second. How does the Canadian system differ from our own?

Third. What is the cost of price administration in Canada?

The Senator from Pennsylvania says that these questions are proposed, not with the belief that our own system will respond in the same way as has the Canadian system, but rather for the purpose of finding any possible suggestion for improvement in our own system which may be provided by a study of the Canadian system. I assume that the Senator from Tennessee will have an opportunity to examine these questions in greater detail, in view of my having put them to him, and that the matter can be gone into more fully at another time.

Mr. McKELLAR. Mr. President, I am perfectly willing to state now that the committee did not examine the Canadian system. It was referred to only incidentally once or twice, and no facts were given about it. The English system was referred to once or twice; and I think Mr. Henderson, himself, or some one for him, stated that the Canadian system was fashioned along the lines of the English system. We did not go into that system, as ours is not a legislative committee but purely an appropriations committee. We have already established our own system and put it into effect. For that reason we did not go into the other systems.

I do not know what the cost of the Canadian system is, but before we meet tomorrow I shall take a great deal of pleasure in finding out about the cost of the Canadian system as well as that of the English system, and shall be glad to put the information in the Record.

Mr. DANAHER. I thank the Senator from Tennessee.

Mr. BARKLEY. Mr. President, I wish to reiterate what I stated a moment ago. It is no reflection on a committee to disagree with its final conclusions on any proposed legislation. What I said awhile ago was not intended to reflect on the committee or criticize the committee. I merely called attention to certain controversial amendments which had been reported by the committee in order that Members of the Senate might know that they are in the bill and might study them; also that the country might know that the amendments are incorporated in the bill. The mere fact that I disagree with one or two of them is, of course, no reflection on the committee.

We should be in an impossible situation if we had to accept all the amendments reported to the Senate by committees. The Senate would not have any function. It would have nothing to do. As we know, committee amendments frequently go through as a matter of routine. Nobody pays much attention to them, and they are adopted by a vote of 1 to 0. I wished to call the attention of the Senate to these provisions so that Senators may be thinking about them and in order that Senators who are not now present may read them.

That is all I have to say.

Mr. McNARY. Mr. President, I shall not discuss the provisions which have been mentioned. I have my own views concerning the effort to change and slightly modify the Price Control Act. Inasmuch as certain of the proposed amendments would be legislation on an

appropriation bill, let me ask the Senator from Tennessee if he has given notice to suspend the rule?

— Mr. BARKLEY. The Senator from Tennessee gave notice a few moments ago that he would offer certain amendments.

Mr. McKELLAR. I propose to offer two amendments. The amendments about which the Senator from Kentucky has been speaking are in the bill—and properly in the bill, as we have been advised by the Parliamentarian. With respect to the two which are not in the bill, I have given notice in accordance with the rule. However, they are amendments with respect to which I think there will be no disagreement.

Mr. McNARY. The able Senator has consulted an excellent source of information in our capable Parliamentarian. I was not in the Chamber when the Senator asked for an opportunity to present the amendments. I am very happy that he has reserved his rights.

ST. CROIX RIVER HIGHWAY BRIDGE

Mr. SHIPSTEAD. Mr. President, I ask unanimous consent that the Senate now proceed to consider House bill 4314, which was passed over on the call of the calendar on July 2.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The CHIEF CLERK. A bill (H. R. 4314) authorizing the States of Minnesota and Wisconsin, jointly or separately, to acquire bridges now existing or to construct, maintain, and operate a free highway bridge across the St. Croix River, also known as Lake St. Croix, at or near Hudson, Wis.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Minnesota?

There being no objection, the Senate proceeded to consider the bill.

The PRESIDING OFFICER. The question is on agreeing to the amendment previously offered by the Senator from Wisconsin [Mr. WILEY], which will be stated for the information of the Senate.

The CHIEF CLERK. It is proposed to insert on page 2, line 16, the following proviso:

Provided, That at the inception of the construction of the bridge provided herein or the purchase of the present bridge which is owned by the city of Hudson, fair compensation, to be determined by the Federal Works Agency, shall be paid by the States of Wisconsin and Minnesota to the city of Hudson, Wis., for its existing bridge and structure across the St. Croix River.

Mr. WILEY. Mr. President, I shall not take much of the time of the Senate.

In speaking today I am speaking as a United States Senator, representing the United States Government which will pay about 75 percent of the cost of this bridge when it is built. I am also speaking as a representative of the State of Wisconsin, whose highway department wants the bridge. I am also speaking as a representative of the city of Hudson. If the contemplated bridge is built it will mean confiscation of the present bridge, because the bill does not provide that the

city of Hudson shall receive any compensation. Building a new bridge, free of toll, will put the biggest business in Hudson out of business.

It is true that the present bridge at Hudson is not a Francis Key bridge or a memorial bridge like the bridge crossing the Potomac River, but it is a good bridge.

Mr. President, at the request of the city of Hudson, I propose the following amendment:

Provided, That at the inception of the construction of the bridge provided herein or the purchase of the present bridge which is owned by the city of Hudson, fair compensation, to be determined by the Federal Works Agency, shall be paid by the States of Wisconsin and Minnesota to the city of Hudson, Wis., for its existing bridge and structure across the St. Croix River.

It will be remembered that on July 2 the measure came up for discussion, and then was put over by consent, to be taken up on a date to be agreed upon by the senior Senator from Minnesota and me.

Mr. BURTON. Mr. President, will the Senator yield?

Mr. WILEY. I yield.

Mr. BURTON. As a matter of clarification, and because I was a member of the subcommittee and the committee which considered this matter, let me ask whether I am correct in understanding that the proposed amendment would require that payment be made to the city of Hudson for its bridge, whether or not the site of the present bridge is to be used in connection with the proposed new bridge.

Mr. WILEY. Yes—fair compensation to be determined by the Federal Works Agency.

I said that the bridge crosses the St. Croix River and is owned by the city of Hudson. The bill in particular contemplates that the bridge might be taken over; but the testimony by the engineers from the State of Wisconsin and from the State of Minnesota shows that they have no such plan. They want to build a new bridge. In other words, they want to take away from the city of Hudson a bridge which has been a money maker for that city for some years. It is a bridge which has paid the city about \$80,000 a year in revenue.

The argument for taking away the bridge is that it has been a revenue maker, that the city has received a great deal of money from it, and therefore the city should be willing to forego any further income from the bridge.

That kind of argument is rather dangerous. If we were to apply it to the property rights of individuals, there would be confiscation of property without due process of law; any property that any of us might have could be taken from us, provided a State wanted that property.

The representative of the city of Hudson called to my attention certain facts which I shall briefly discuss. For instance, there was some talk that the bridge is not safe. He calls my attention to the fact that the Public Roads Administration rates the Hudson Bridge H-15 to H-18 capacity. That statement appears on page 54 of the record. He also states that 88 percent of the bridges on

the strategic system are of H-15 capacity—page 55 of the record. The statement is made that the War Department requests for the strategic system bridges having a capacity of only 18,000 pounds per axle—page 55 of the record—and that the Public Roads Administration requests bridges of 18,000 pounds capacity.

As I have said, I know the bridge; I have traveled over it a great many times. It is not a modern bridge; but to say that it is inadequate is not correct. I doubt if the record bears out such a statement. The city of Hudson has kept it in a good state of repair.

As a member of the Senate representing the State of Wisconsin, representing Hudson, and representing the Government, I feel that the amendment should at least go to the committee; because if the bill shall be passed it will take away from the city of Hudson valuable property.

I think the facts show that over the years the city has received an average net income of \$80,000 a year from the bridge; but that income has been devoted to public purposes—to W. P. A. and old-age-pension uses. The city of Hudson is a city of about 3,500 persons, a city nestling on the banks of the St. Croix River. The city of Hudson sought suggestions from the War Department, but the War Department has not yet indicated any need for a better bridge. Testimony to support my statement appears at page 31 of the record.

The city of Hudson states that if repairs or improvements are needed, it stands ready to make them.

I myself should look forward with a great deal of pleasure to seeing a magnificent bridge built across that river. No figures as to its cost are stated in the record, but I suspect that a bridge which would meet the situation would cost up into the millions of dollars.

There are several other factors. If the bridge should be built down river, below the present bridge, a backwater which might be very dangerous to health would be created.

The bill would simply permit the building of a bridge by the two States. Of course, the bridge will not be built during wartime, unless it can be found that it is absolutely a war necessity. That has not been found. The War Department has said absolutely nothing to that effect; and the construction of the bridge would take a great deal of strategic material.

Mr. President, the amendment would do the equitable thing. Let us remember that the bridge was purchased by the city and is owned by the city. It is not a private toll bridge. The facts in that connection are very interesting. There are a great many toll bridges in this country, a great many owned by municipalities, and a great many owned by private individuals. This bridge carries a traffic of 2,760 motor vehicles a day. That is not as much as one lane of one of the streets of Washington carries in an hour and a half. It appears that the bridge carries 515 commercial trucks a day. The tolls on the bridge are very reasonable. There is a 15-cent toll for an automobile and its driver. Of course,

anyone who pays a toll for a truck would like to have that charge abolished. Along the same line, I assume also that people would like to receive merchandise or medical services free.

The record shows that in this country there are 246 toll bridges, comprising the following: Ninety-eight public toll bridges, 3 public toll tunnels, 143 private toll bridges, and 2 private toll tunnels.

The record shows that this bridge is sound, has been kept in good repair, and can accommodate trucks carrying loads as heavy as the Wisconsin law permits.

I say again that of course we in Minnesota and Wisconsin should like to have a new bridge; but the War Department has not approved it and has not designated it as a necessity. If the proposal were to take over the bridge and to pay the city of Hudson a fair amount for it, no question would be raised. However, that is not the proposal.

The city of Hudson is a part of my State. It has a right to have its position stated in this body when the legislative body of the Nation is about to take property belonging to it.

I know the argument will be made that for many years the city has received a great income which has totaled more than the total cost of the bridge and the cost of its maintenance. However, that is no argument for taking the property of one city or one individual away from that city or that individual without compensation. What I have just said is, in substance, the position which the city of Hudson has taken.

Of course, there was not before the committee any information to the effect that the legislatures of these States took any action; but only representatives of the two highway departments appeared and said they wanted the bill passed. They stated that there was perhaps some need for the bridge, and they thought that in view of the war effort it would be needed more. However, when we scan the record we find that the case is a very meager one. The only argument which is advanced why the city of Hudson should not be compensated is that through the years she has "cleaned up," as they say, about \$80,000 a year from the operation of the bridge, has received complete payment for it, and therefore should receive nothing when the new bridge is built, a bridge which will put the present bridge out of business.

To me such an argument is not fair. It is not the American way of doing things. A small city, or a small man, or a small corporation is entitled to be treated fairly, just as much so as a large one. If Hudson were a large city, or if it were a State, and if action were contemplated which would result in taking away from it a valuable source of income, there would not be any necessity for the city of Hudson to cite the Constitution and to say, "You are proposing to take away property without due process of law, and you should compensate us for it." When two great States—one of them my own State—ask that there be passed a bill which would put out of business an income-producing property owned by a city within the State, equity or justice should be done.

Therefore, Mr. President, I ask that the amendment be inserted in the bill, and at least that it go to conference and there be acted upon.

The PRESIDING OFFICER. The question is on agreeing to the amendment proposed by the Senator from Wisconsin [Mr. WILEY].

Mr. SHIPSTEAD. Mr. President, when I first heard the Senator's amendment read, I was under the impression that the amendment was merely permissive; that is, that if the two States were to find it necessary to take over the bridge, they should pay a fair price. However, after I read the amendment, I told the Senator that I could not very well agree to it because it is mandatory, even if the States do not take the bridge and do not want to take it.

We do not propose to take the bridge away from the city of Hudson at all. The State of Wisconsin and the State of Minnesota want to build a new bridge. They desire to do so for several reasons. One is that it is on the main defense highway from Chicago to Eau Claire, La Crosse, and the Twin Cities. It is an old bridge, more than 30 years old. The city of Hudson bought it about 25 years ago. They have collected in excess of \$2,000,000 in tolls. If the new bridge is constructed, under this bill, it will be a free bridge; but the city of Hudson can keep its bridge and continue to charge tolls; there is nothing in the bill that would prevent that being done.

The Federal Government, through the War Department, has approved the new bridge, and said it had no objection to its construction; the approval was in the usual form. The State of Wisconsin, through its highway commission, has for several years, in conjunction with the Highway Department of the State of Minnesota, tried to obtain from the Federal Congress the permission that is necessary to build a free bridge in order to take care of the public free road traffic. No Senator wants to deprive the city of Hudson of the ownership of its bridge. Of course, it may be deprived of its toll business if the new bridge is constructed, thus furnishing free transportation for the general traffic over the great national defense highway from Chicago to the Twin Cities.

The hearings developed the incapacity of the present bridge to carry the usual maximum load carried over Federal highways as set by the Federal Highway Commissioner, together with the various State highway commissioners. The present bridge is not adequate to carry what is now considered the usual capacity load. The bridge is too narrow. I believe the record will show it is only 19 feet wide, whereas the standard bridge, according to the regulations of the various highway commissions and the Federal Government, must be 28 feet in width.

I am very sorry that I cannot agree to the amendment, as I told the Senator after I saw that it was mandatory. It would compel the two States to pay what was determined by the Public Works Administration to be a fair price to the city of Hudson. Of course, they would not take the present bridge, but even if they

should not take it, they would have to pay the city for the loss of tolls they have collected since 1917 in an amount of over \$2,000,000.

I do not know—we have not been able to find out—what the city paid for the bridge, which has been operating for about 30 years.

It was customary some years ago to give a franchise, a permit, to build that kind of bridge, and to the extent the franchise permitted the building of the bridge and the collecting of tolls, of course, it was a vested interest, but at the will and the license of the public authorities, who have a perfect right to build a bridge of their own.

As I said in the beginning, it is not the intention to deprive the city of Hudson of its ownership of this toll bridge, but the purpose is to build a new bridge, which has been needed for many years, so that the great volume of traffic can pass over a bridge which is safe for the usual traffic that is now passing over it, being something like 2,700 vehicles in 24 hours, and, as the able Senator from Wisconsin said, in excess of 500 trucks a day. The hearings show that, at times trucks coming from the west must wait until the trucks coming from the east can have a chance to cross the bridge; and then the trucks from the east must wait while the trucks from the west cross the bridge.

I could not undertake on my responsibility to accept the amendment. If the Senate wants to accept it, that is one thing, but I could not undertake to accept it in the form it is here stated.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Wisconsin [Mr. WILEY].

Mr. BURTON. Mr. President, this bill was reported to the Senate by the junior Senator from Michigan [Mr. BROWN] who is not now present. He was also the chairman of the subcommittee which reported favorable on the bill in its original form. As I served both on the subcommittee and on the general committee that joined in the report, I feel that a word should be said from the point of view of the committee.

This matter comes within the jurisdiction of the United States, of course, under its right to pass upon any bridge which possibly might interfere with navigation. If it would not interfere with navigation, then the jurisdiction of the United States, technically, would stop at that point, and we would consent to the construction of the bridge.

As the bill came before the committee, it was rather a simple one. Two States, represented by their separate highway commissions, wish to erect an important bridge on a main highway. They asked for the permission of the United States. We held hearings in the committee. The opposition came solely from the city of Hudson. There seemed to be no interference with navigation such as would justify a refusal to permit the bridge to be built by the States. The city of Hudson, however, does have a bridge nearby; it has had it for many years; and it is charging tolls over that bridge. It is interesting to note that not only has the

77TH CONGRESS
2^D SESSION

H. R. 7319

IN THE SENATE OF THE UNITED STATES

JULY 13, 1942

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. McKELLAR to the bill (H. R. 7319) making supplemental appropriations for the national defense for the fiscal year ending June 30, 1943, and for other purposes, viz: On page 35, after line 19, insert the following:

- 1 Reduction of zinc concentrates with methane gas (na-
- 2 tional defense) : For all necessary expenses, without regard
- 3 to section 3709 of the Revised Statutes, for pilot tests on the
- 4 reduction of zinc concentrates to metal with methane gas, in-
- 5 cluding laboratory research, maintenance and operation of
- 6 pilot plant; procurement of necessary material and ores; pur-
- 7 chase or lease of land or buildings; construction and equip-
- 8 ment of buildings to house pilot plant, including engagement

77TH CONGRESS
2^D SESSION

H. R. 7319

AMENDMENT

Intended to be proposed by Mr. McKellar to the bill (H. R. 7319) making supplemental appropriations for the national defense for the fiscal year ending June 30, 1943, and for other purposes.

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AMENDMENT

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1 On page 37, line 18, after the figures "\$320,000" and
2 before the period, insert the following: ", of which \$40,000
3 is hereby made available, without regard to civil-service and
4 classification laws, for salaries of members and other em-
5 ployees of the Visa Board of Appeals: *Provided*, That salaries
6 may be paid to the members of the Board at a rate not
7 exceeding \$10,000 per annum: *Provided further*, That no
8 part of said \$40,000 shall be available to pay the salary of
9 any person at a rate of \$4,500 per annum or more unless
10 such person shall have been appointed by the President, by
11 and with the advice and consent of the Senate".

77TH CONGRESS
2d Session

H. R. 7319

AMENDMENT

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JULY 13, 1942

Ordered to lie on the table and to be printed

damage insurance protection to the Philippine Islands after July 1, 1942, and for other purposes; to the Committee on Banking and Currency.

By Mr. PEPPER:

S. 2653. A bill for the relief of Christine W. Ransberger; to the Committee on Claims.

S. 2654. A bill to provide for establishing a system for recording the dates and places of birth of individuals within the United States; to the Committee on Finance.

By Mr. VAN NUYS:

S. 2655. A bill to amend the Judicial Code to authorize the Chief Justice of the United States to assign circuit judges to temporary duty in circuits other than their own; to the Committee on the Judiciary.

By Mr. GEORGE:

S. 2656. A bill to amend the act of October 9, 1940, entitled "An act to restrict or regulate the delivery of checks drawn against funds of the United States, of any agency or instrumentality thereof, to addresses outside the United States, its Territories, and possessions, and for other purposes"; to the Committee on Finance.

INDEPENDENCE DAY ADDRESS BY SENATOR WILEY, AT APPLETON, WIS.

[Mr. WILEY asked and obtained leave to have printed in the Record an address entitled "Declaration of Independence of 1942," delivered by him at Appleton, Wis., on July 4, 1942, which appears in the Appendix.]

INDEPENDENCE DAY ADDRESS BY SENATOR WILEY, AT LUXEMBURG, WIS.

[Mr. WILEY asked and obtained leave to have printed in the Record an address delivered by him at Luxemburg, Wis., on July 4, 1942, which appears in the Appendix.]

THE DANGERS OF INFLATION—ADDRESS BY HON. JESSE H. JONES

[Mr. RUSSELL asked and obtained leave to have printed in the Record a radio address entitled "The Dangers of Inflation," delivered by Hon. Jesse H. Jones, Secretary of Commerce, on July 8, 1942, which appears in the Appendix.]

ADDRESS BY HON. JAMES A. FARLEY IN THE INTEREST OF THE UNITED WAR WORK FUND

[Mr. GEORGE asked and obtained leave to have printed in the Record an address delivered by James A. Farley at Atlanta, Ga., before the United War Work Fund, Inc., of Atlanta, Fulton, DeKalb, and Rockdale Counties, June 28, 1942, together with two editorials thereon, which will appear hereafter in the Appendix.]

"WE WILL REMEMBER THEM"—ADDRESS BY J. RION MCKISSICK

[Mr. MAYBANK asked and obtained leave to have printed in the Record an address delivered at the memorial service of the Forty and Eight of South Carolina for our World War dead, by J. Rion McKissick, president of the University of South Carolina, at the Arsenal Hill Presbyterian Church, Columbia, S. C., July 5, 1942, which appears in the Appendix.]

AMENDMENT OF INTERSTATE COMMERCE ACT

Mr. REED. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Senate bill 2642, Calendar No. 1590.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The CHIEF CLERK. A bill (S. 2642) to amend subsection (b) of section 417 of the Interstate Commerce Act by changing a reference therein from "carrier" to "freight forwarder."

Mr. REED. Mr. President, I think a brief explanation will be all that will be necessary.

When we passed the so-called freight forwarders' legislation there was some question as to whether or not a freight forwarder was a common carrier. The Senate bill offered no difficulty with that subject. We did not treat a freight forwarder as a common carrier. We passed Senate bill 210, which went to the House and was referred to the Committee on Interstate and Foreign Commerce. In the House there were a number of bills dealing with the subject. The House struck out everything after the enacting clause and substituted one of its own bills.

When the conference committee finished its work we thought we had a perfect bill. Later it was found that the drafting service had made a mistake as to one word, so Senate bill 2642 was introduced for the purpose of correcting that error. At one place in the bill which was passed reference was made to a freight forwarder as a carrier. We desire to correct that reference.

When Senate bill 2642 was introduced it went to the Interstate Commerce Commission. The Commission called out attention to another error which had existed in the Interstate Commerce Act for several years and suggested that the bill be amended so as to correct both errors.

There is no question involved except correcting the language of the Interstate Commerce Act in two places. In one place we propose to change the word "carrier" to "freight forwarder." In another place we propose to change the words "this part" to "this act." The only reason I ask unanimous consent for the present consideration of the bill is that the Interstate Commerce Commission, in a letter dated July 10, addressed to the Senator from Montana [Mr. WHEELER], chairman of the committee, makes the following statement:

Since a supplement to our printed compilation of the Interstate Commerce Act is in page proof, ready for early publication, and is much needed, it is hoped that the bill may be acted on as soon as possible, so that these corrections may be incorporated in the print.

I shall be happy to answer any questions. I have tried to state the matter clearly.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Kansas?

There being no objection, the Senate proceeded to consider the bill (S. 2642) to amend subsection (b) of section 417 of the Interstate Commerce Act, by changing a reference therein from "carrier" to "freight forwarder," which had been reported from the Committee on Interstate Commerce with an amendment, to strike out all after the enacting clause and insert:

That section 219 of the Interstate Commerce Act, as amended, is further amended to read as follows:

"Sec. 219. The provisions of section 20 (11) and (12) of this act, together with such other provisions of this act (including penalties) as may be necessary for the enforcement of such provisions, shall apply with respect to common carriers by motor vehicle with like force and effect as in the case of those per-

sons to which such provisions are specifically applicable."

SEC. 2. Subsection (b) of section 417 of the Interstate Commerce Act, as amended, is amended by striking out the word "carrier" where it appears therein and inserting in lieu thereof the words "freight forwarder."

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill to amend section 219 of the Interstate Commerce Act, as amended, by changing a reference to 'such part' to 'this act', and to amend subsection (b) of section 417 of the Interstate Commerce Act by changing a reference therein from 'carrier' to 'freight forwarder.'"

AMENDMENT OF ORGANIC ACT OF ALASKA

The PRESIDING OFFICER (Mr. HATCH in the chair) laid before the Senate a message from the House of Representatives announcing its disagreement to the amendment of the Senate to the bill (H. R. 5458) to amend the Organic Act of Alaska, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. TYDINGS. I move that the Senate insist upon its amendment, agree to the request of the House for a conference, and that the Chair appoint conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. TYDINGS, Mr. HAYDEN, Mr. CLARK of Missouri, Mr. NYE, and Mr. VANDENBERG conferees on the part of the Senate.

FIRST SUPPLEMENTAL NATIONAL DEFENSE APPROPRIATIONS

The Senate resumed the consideration of the bill (H. R. 7319) making supplemental appropriations for the national defense for the fiscal year ending June 30, 1943, and for other purposes.

Mr. MCKELLAR. Mr. President, I desire to make a brief statement concerning the bill, but before doing so I ask unanimous consent that the formal reading of the bill be dispensed with, and that the bill be read for amendment, the committee amendments to be first considered.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MCKELLAR. Mr. President, the bill provides appropriations for many activities, and in very large sums. A total of \$1,856,801,710.90 is proposed to be appropriated. With respect to the greater number of items there is no controversy, so far as the committee knows. For instance, the House appropriated \$3,114,000 for the War Manpower Commission, and that amount was agreed to by the Senate committee. The House appropriated \$68,546,300 for the War Production Board, and that was agreed to by the Senate committee.

The House appropriated \$70,000,000 for the War Relocation Authority. That is the Authority which relocates enemy aliens and certain citizens of alien descent. Such persons have been brought from the coastal regions and relocated in interior regions. The Senate committee agreed to that amount.

In the Office for Emergency Management the largest item is that relating to the War Shipping Administration. We are still working to capacity on ships, and we agreed to the amount of \$1,100,000,000 provided by the House for the War Shipping Administration.

Mr. McNARY. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. McNARY. I was called from the Chamber for a moment. What amendment is the Senator discussing?

Mr. McKELLAR. I am not talking about amendments at this time. I am simply giving a résumé of what the bill contains, and particularly what items it contains concerning which there is no controversy. For instance, the Senator will find, on page 19, the provision relating to the War Shipping Administration.

Mr. McNARY. Will the Senator be kind enough to refer to page 11—to the paragraph dealing with the Office of the Coordinator of Inter-American Affairs? An increase has been made by the committee in that item. What does the Coordinator of this activity do?

Mr. McKELLAR. I shall be glad to refer to that item. That Administration is conducted by Mr. Nelson Rockefeller, one of the sons of Mr. John D. Rockefeller, and incidentally, I may say, one of the brightest and most attractive young men who has come before the committee.

Mr. McNARY. I understand his qualifications. I am not asking for a eulogy of the man. I want to know what his organization does.

Mr. McKELLAR. I hope the Senator from Oregon will permit me to make such statement as I think I should in answer to his question.

Mr. McNARY. The Senator can make the statement, but it would not be an answer.

Mr. McKELLAR. Very well; I shall attempt to make it, notwithstanding what the Senator says about it. Mr. Rockefeller has been engaged for about a year in coordinating American affairs with those of the South American nations and the Central American nations. He appeared before our committee and was examined at length by the committee. There is much of his testimony which will not be found in the record because there is much of it which had to be kept off the record.

Mr. McNARY. What was the reason for that? We are not at war with South America. Is it a war secret?

Mr. McKELLAR. I do not know that it is a war secret, but it was kept off the record because it was thought it would not be beneficial to the United States to make public much of the information which Mr. Rockefeller gave as to what was proposed in the way of our cooperation with South and Central American republics. It was thought it would be better for much of it not to be made public, and the committee directed that it not be made public, and it was not made public. There is much of his testimony, however, which can be found in the hearings, and which is very informative.

Mr. McNARY. I do not understand the Senator when he says it was thought the testimony would not be beneficial to America. The coordinator dealing with South American countries has charge of matters which doubtless have a very important bearing upon the welfare of America. Why does the committee exclude from the record testimony which the Senator says will not be beneficial to our country? That is a new idea of exclusion of testimony given before committees which has not heretofore been expressed.

Mr. McKELLAR. It is not new with our committee, because every week—in fact, almost every day—some official representing the Army, the Navy, the State Department, or some other department, comes before the committee and asks that his testimony not be taken down and made a matter of record, inasmuch as it would be of value to our enemies, and it would be to our interest that it not be recorded. Whenever such a request is made the testimony is left out of the public hearings in our committee.

Mr. McNARY. That is what I stated to begin with. Matter which involves the country in its conflict with its enemies, and which may give aid or comfort to the enemy, is naturally excluded. But the very wise Senator from Tennessee says that in this case, dealing with South America, it is not to the interest of America to know what is going on in our relations with nations with whom we are at peace. I do not understand that.

Mr. McKELLAR. If the Senator will be a little patient, I shall try to make myself clear. I may not be able to make myself clear enough for the Senator to understand, but I shall try to do so, and hope I will be understood. There are several South American countries, some of them most important, which are not at war with Japan or Germany. There are many Japanese and many Germans in those countries. One such country is Chile; another is Argentina. There are a number of other countries in which there are many Japanese and Germans, but those two are the most important. They have not declared war on Germany or on Japan. There is an enormous number of Japanese in those countries and in other South American countries. There is a great number of Germans in those countries. They have vast interests in those countries and have had a vast trade with them. In some of the countries their trade has been quite equal to that of the United States. Their interrelationships with those countries are of the closest kind. It seems manifest to me that an agent of this Government should not undertake to make public many of the things he is doing to straighten out and adjust our affairs with these peaceful neighbors of ours who are not at war with Germany or Japan. Those things have not been made public. I wish to be perfectly frank and say that I am not going to make them public on the floor of the Senate. The committee voted that they should not be put into the record, and it would be very improper for me, as chairman of the subcommittee, to make public what was not

disclosed for publication. If the Senator has any specific question to ask, and it is possible to answer it, I shall be very happy to do so.

Mr. McNARY. After a long detour the Senator has finally arrived at the activities which are associated with our war effort. They put the situation in a different class.

Mr. McKELLAR. I am glad the Senator has at last reached the conclusion that we should keep something out of the record which ought to be kept out of the record, and which the committee agreed should be kept out of the record. If the Senator from Oregon had permitted me to make my statement in the ordinary way, he would have had that information a long while ago.

Mr. President, as I was saying, with respect to the greater number of the items contained in the bill there is no disagreement.

Mr. McNARY. Mr. President, the Senator has not yet, in my opinion, justified the expenditure and increase with respect to this item. I wish to know the nature of the activities and the work carried on by the Coordinator with the nations to the south. I do not want to know war secrets; I do not want to know about matters involving our activities in connection with the war, but I do want to know what this organization is doing, and why this proposed increase in the appropriation is necessary.

Mr. McKELLAR. Let me tell the Senator some of the things which are being done. They are in the record, and there is no reason why they cannot be stated. Reading from page 556 of the House hearings, some of the special projects are as follows:

	Fiscal year 1943	Fiscal year 1942, estimated obligations	Page reference
SPECIAL PROJECTS			
Directive Council:			
United States centers in other American republics.....	\$100,000	\$55,500	6
Strategic index of the Americas.....	50,000	27,500	7
Radio technicians.....	50,000	100,000	7
Foreign films.....	10,000	56,000	7
Information analysis.....	75,000	63,500	7
Total for Directive Council.....	285,000	302,500	-----
Information Department: Cooperation with special groups.....	500,000	38,500	8
Radio Division:			
Local broadcasts in other American Republics.....	1,500,000	505,250	10
Development of local broadcasts.....	50,000	-----	11
Point-to-point and short-wave broadcasts.....	650,000	553,200	11
Radio program scripts.....	100,000	-----	12
Transcribed radio programs.....	500,000	502,500	12
Printed schedules of United States short-wave broadcasts.....	60,000	50,000	12
Advertising of United States short-wave broadcasts.....	40,000	25,000	13
Radio equipment.....	600,000	127,000	13
Mobile units.....	100,000	-----	13
Other projects.....	-----	165,974	-----
Subtotal.....	3,600,000	1,878,924	-----

	Fiscal year 1943	Fiscal year 1942, estimated obligations	Page reference
Information Department—continued			
Motion Picture Division:			
Cooperation with motion-picture industry	\$1,000,000	-----	17
Special feature pictures for hemisphere-wide distribution	600,000	\$520,000	17
Coproduction with other American republics, governments	100,000	101,500	18
Production of nontheatrical motion pictures	200,000	1,281,289	18
Distribution of nontheatrical motion pictures	100,000	86,177	19
Prints, reels, and containers	400,000	125,000	19
Editing, processing, and distribution management	150,000	45,000	19
Motion Picture Society for the Americas	54,000	54,000	20
Newsreel coverage of Inter-American news	100,000	50,000	20
Other projects	-----	25,308	-----
Subtotal	2,704,000	2,288,274	-----

We have a large motion-picture program. We are doing everything we can to cooperate with and make friends of the South and Central American countries, where there are large numbers of our enemies, both Japanese and Germans. They are powerful and influential. For many years they have been in active competition in a commercial way with the interests of the United States. So it is necessary for us to have an organization down there for the purpose of cooperating with those countries.

Of course, I may be blamed by the Senator from Oregon for saying such a thing about the motion-picture industry, but America has the greatest motion-picture industry in all the world. We are very influential with our neighbors because of the use of motion pictures. The use of motion pictures in foreign countries is greatly to our advantage. The motion-picture industry is a wonderful institution. I make that statement as a statement of fact. I know it to be true, because I have been to South America and have seen it operating. I believe it is a great thing for America, and I believe that the work which is being done by this Division in the South and Central American republics is most excellent and ought to be upheld by the Government at this time, when we are in a total war against Germany and Japan.

Mr. McNARY. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. McNARY. I am not here to indulge in eulogies of the motion-picture industry. It looks after itself pretty well in Hollywood and other places. But why do we have such a great program? Why are such great sums of money, running into hundreds of millions of dollars, spent for motion pictures? What is the purpose?

Mr. McKELLAR. If the Senator will read the figures, he will see that they do not run into the hundreds of millions.

Mr. McNARY. I have not had the advantage of reading the record.

Mr. McKELLAR. The hearings have been printed since June. The items to which I refer appear on page 556 of the

House hearings. The Senate hearings are also printed.

Mr. McNARY. Copies of the Senate hearings were placed on the desks of Senators only today.

Mr. McKELLAR. I saw them here yesterday. Let me say to the Senator that because he objected the other day to taking up the bill in the customary way when I asked unanimous consent that we might make the report while the Senate was not in session on Saturday I asked the clerk of the committee to lay before the Senator the report and copies of the hearings. Did the Senator receive them? I hope he did, because I wanted to meet every objection which the Senator raised.

Mr. McNARY. Mr. President, that is quite off the main route we are trying to pursue. I did receive advance copies of the bill and of the hearings at my office on Sunday. I appreciate the very fine courtesy of the Senator. This is now Tuesday.

Let me go back. The Senator read a long list of sums of money which we are appropriating to carry on motion-picture activities in South America. He then launched into a eulogy of those who are conducting this great industry in Hollywood. I think that those who are handling the motion-picture industry are able to take care of themselves. Is this a subsidy?

Mr. McKELLAR. No.

Mr. McNARY. For what reason are we using this money? How is it employed, and what is the purpose of the expenditure?

Mr. McKELLAR. The purpose of it is to help America in this war. I sometimes wonder whether any of us realize the kind of war in which we are engaged. When I find representatives from some of the departments coming before the Congress seeking greater appropriations for departments which are not in the war effort, I sometimes wonder if they will ever reach the conclusion that we are at war.

The purpose of the appropriations for motion pictures, for the information department, the directive council, the science and education division, the basic economy department, and the commercial and financial department, is to aid the United States in winning the war. It is believed by the administration, and it was believed by the Congress, because we have authorized it, that this was the way to go about it. We are spending these sums in South and Central America for the purpose of aiding the war effort in this hemisphere in every possible way.

Mr. McNARY. I asked the Senator a simple question. What are we doing, and what is the reason for the expenditures for motion pictures in South America? Is that winning the war?

Mr. McKELLAR. It is one of the best methods of propaganda known to man.

Mr. McNARY. Propaganda?

Mr. McKELLAR. It is one of the best methods of propaganda known to man, and we are availing ourselves of it.

At this point I desire to offer for the RECORD a justification for the proposed appropriation for the Office of Coordinator of Inter-American Affairs for work among the South American and Central

American republics. The justification appears on pages 554 to 558, inclusive, of the House hearings. In that way the matter will be explained. I ask unanimous consent that the justification be printed in the RECORD at this point.

There being no objection, the justification was ordered to be printed in the RECORD, as follows:

JUSTIFICATION FOR THE PROPOSED APPROPRIATION LANGUAGE

Lines 1-7: "Office of the Coordinator of Inter-American Affairs: For the Office of the Coordinator of Inter-American Affairs, \$28,638,000, including \$3,000,000 for payment of obligations incurred under the contract authorization of \$3,000,000 under the head, Office for Emergency Management in the Second Deficiency Appropriation Act, 1941, and the unobligated portion of said contract authorization is hereby continued in effect until June 30, 1943."

The inclusion of the \$3,000,000 for payment of obligations incurred under the contract authorization in the Second Deficiency Appropriation Act, 1941, is requested, due to the fact that there are many outstanding commitments which have been made which do not constitute legally enforceable obligations so that funds may be obligated out of existing appropriations. However, these commitments must be maintained and adhered to if the policies and programs of the office are to be continued without interruption.

Line 7: "Employment of aliens."

The Office, at the present time, has the right to employ aliens under the act of December 17, 1941, Public Law 353, Seventy-seventh Congress.

Lines 7-8: "Entertainment of officials and others of the other American republics."

This phraseology was incorporated in the act of July 3, 1941, Public Law 150, Seventy-seventh Congress, and was continued by reference in the act of December 17, 1941, Public Law 353, Seventy-seventh Congress.

Lines 8-10: "Payment of living allowances to employees with official headquarters located abroad in accordance with the act of June 26, 1930 (5 U. S. C. 118a), and regulations promulgated thereunder."

Under the act of June 26, 1930 (5 U. S. C. 118a), civilian officers and employees of the Government having a permanent station in a foreign country may be furnished, without cost to them, living quarters including heat, fuel, and light in Government-owned or rented buildings and where such quarters are not available may be granted an allowance for living quarters, including heat, fuel, and light. However, this allowance may be furnished only when appropriations are specifically authorized therefor and this authority is requested in view of the fact that there are many employees in foreign countries who are put to additional living expense because of their being stationed in foreign countries.

Lines 10-12: "Grants of money or property to governmental and public or private non-profit institutions and facilities in the United States and the other American republics."

The words "of money or property" and "public or" have been added to the language which existed in the act of July 3, 1941, Public Law 150, Seventy-seventh Congress, and the act of December 17, 1941, Public Law 353, Seventy-seventh Congress. The word "grants" in itself is ambiguous and there would be great difficulty if the granting power were limited to money since in some cases the use of office facilities and office space, for instance, is necessary while in other cases personal property rather than actual cash is the subject of the grant.

Insertion of the words "public or" does not increase the extent of the grants but only makes the former language more specific so

that there is no chance of ambiguity. Many hospitals, libraries, etc., are essentially public rather than private nonprofit institutions. Also, unless the words "public or" are inserted, there might be some objection to grants to governmental institutions where they are serving a proprietary function.

Lines 12-16: "The free distribution, donation, or loan of publications, phonograph records, radio transcriptions, art works, motion-picture films, educational material, and such material and equipment as the Coordinator may deem necessary and appropriate to carry out his program."

The words "donation or loan" have been added to the act of December 17, 1941, Public Law 353, Seventy-seventh Congress, in order to clarify the meaning, since "distribution" may have a technical meaning which does not include "donation." The words "or loan" are requested, since the greater right of donation should include the lesser right of loan, yet it is not clear under the existing phraseology whether free distribution is an exclusive term which might preclude the right to loan Government property.

Lines 16-18, "such other gratuitous assistance as the Coordinator deems advisable in the fields of the arts and sciences, education and travel, publications, the radio, the press, and the cinema."

This language is the same as that in the act of December 17, 1941, Public Law 353, Seventy-seventh Congress, except for the addition of the word "publications," which was inadvertently omitted from the prior act and is necessary to round out the subjects of gratuitous assistance.

Lines 19-25: "Paying the expenses of transporting employees of the Office of the Coordinator and their dependents and their effects from their homes to their places of employment in the other American republics, or from their homes in the other American republics to their places of employment, and return or from one official station in the other American republics to another for permanent duty when specifically authorized or approved by the Coordinator under regulations approved by the President."

Under the act of December 17, 1941, Public Law 353, Seventy-seventh Congress, the Coordinator had the power to transport non-citizens and their dependents and their effects from their homes to their place of employment. It is also necessary in many instances to pay for the expenses of transporting employees and dependents and their effects to their official stations in the other American republics when they are first employed by this Office. Under existing law their expenses cannot be paid unless they first have an official station in this country. Since their first assignments may be in the other American republics and the expenses of transportation may be substantial, it is only fair that those expenses be paid by the Government.

The return trip is also provided for in the requested language as it was evidently inadvertently omitted from the prior act. The right to transport the employees of this Office and their dependents and their effects from one official station in the other American republics to another for permanent station is requested in order to make effective the act of October 10, 1940 (5 U. S. C. 73c-1).

Lines 25-28: "Causing corporations to be created under the laws of the District of Columbia, any State of the United States, or any of the other American republics, to assist in carrying out the Coordinator's program and capitalizing such corporations."

This language is the same as that in the act of December 17, 1941, Public Law 353, Seventy-seventh Congress.

Lines 28-39: "Provided, That corporations heretofore or hereafter created or caused to be created by the Coordinator shall determine and prescribe the manner in which their obligations shall be incurred and their expenses allowed and paid without regard to

the provisions of law regulating the expenditure, accounting for and audit of Government funds, and may, in their discretion, employ and fix the compensation of officers and employees outside the continental limits of the United States without regard to the provisions of law applicable to the employment and compensation of officers and employees of the United States: *Provided further*, That the Coordinator shall transmit to the President immediately upon the close of the fiscal year a complete financial report of the operations of such corporations."

The necessity for this additional power arises from the nature of the operations of the corporations which are operated almost entirely outside of the United States in the other American republics. The field of operations is thousands of miles distant and a great deal of work is done for and in cooperation with those countries and with their citizens. The business practices and laws of the various foreign countries differ in many respects from those of the United States and it has been found difficult to comply with United States governmental practices, laws, and regulations and yet carry out the purposes for which the corporations were formed.

The employment of persons outside the continental limits of the United States would be practically impossible if it were necessary to follow the laws and regulations regarding civil service. Clerical employees and laborers have to be employed in the field on short notice and personal appearances before civil service officers are, of course, out of the question since the Commission maintains no offices outside of the United States. In their operations, the corporations will follow, as closely as possible, the rates of compensation and standards of employment which have been adopted for civil service and will adhere to the spirit of the laws although they cannot comply with the letter of the laws.

Lines 39-44: "Provided further, That not to exceed \$500,000 of this appropriation shall be available to meet emergencies of a confidential character to be expended under the direction of the Coordinator, who shall make a certificate of the amount of such expenditure which he may think it advisable not to specify that every such certificate shall be deemed a sufficient voucher 'or the amount therein certified.'"

This language is the same as that in the act of December 17, 1941, Public Law 353, Seventy-seventh Congress, except that the words "the moneys made available to the Coordinator of Inter-American Affairs from" which were in the previous act have been omitted.

Summary of special projects

	Fiscal year 1943	Fiscal year 1942, esti- mated obli- gations	Page refer- ence
SPECIAL PROJECTS			
Directive Council:			
United States centers in other American republics.....	\$100,000	\$55,500	6
Strategic index of the Americas.....	50,000	27,500	7
Radio technicians.....	50,000	100,000	7
Foreign films.....	10,000	56,000	7
Information analysis.....	75,000	63,500	7
Total for Directive Council.....	285,000	302,500	-----
Information Department:			
Cooperation with special groups.....	500,000	38,500	8
Radio Division:			
Local broadcasts in other American re- publics.....	1,500,000	505,250	10
Development of local broadcasts.....	50,000	-----	11
Point-to-point and short-wave broad- casts.....	650,000	553,200	11

Summary of special projects—Continued

	Fiscal year 1943	Fiscal year 1942, esti- mated obli- gations	Page refer- ence
SPECIAL PROJECTS—CON.			
Information Department—Continued.			
Radio Division—Con.			
Radio program scripts.....	\$100,000	-----	12
Transcribed radio programs.....	500,000	\$502,500	12
Printed schedules of United States short-wave broad- casts.....	60,000	50,000	12
Advertising of United States short-wave broadcasts.....	40,000	35,000	13
Radio equipment.....	600,000	127,000	13
Mobile units.....	100,000	-----	13
Other projects.....	-----	105,974	-----
Subtotal.....	3,600,000	1,878,924	-----
Motion Picture Division:			
Cooperation with mo- tion-picture indus- try.....	1,000,000	-----	17
Special feature pic- tures for hemi- sphere-wide distri- bution.....	600,000	520,000	17
Coproduction with other American re- publics govern- ments.....	100,000	101,500	18
Production of non- theatrical motion pictures.....	200,000	1,281,289	18
Distribution of non- theatrical motion pictures.....	100,000	86,177	19
Prints, reels, and con- tainers.....	400,000	125,000	19
Editing, processing, and distribution management.....	150,000	45,000	19
Motion Picture Soci- ety for the Americas.....	54,000	54,000	20
Newsreel coverage of Inter American news.....	100,000	50,000	20
Other projects.....	-----	28,308	-----
Subtotal.....	2,704,000	2,288,274	-----
Press Division:			
Magazine En Guardia and American news letter.....	700,000	686,022	23
Wire services for re- ceiving and distrib- uting news.....	250,000	173,606	24
Photographs and mats.....	150,000	83,870	24
Printed material.....	400,000	124,414	24
Field activities.....	300,000	58,820	25
Interchange of book publications.....	100,000	174,613	25
Inter-American ma- terial for United States distribution.....	50,000	16,000	25
Service projects.....	50,000	86,200	26
Other projects.....	-----	329,424	-----
Subtotal.....	2,000,000	1,726,969	-----
Science and Education Division:			
Vocational training in other American re- publics.....	200,000	110,000	27
Teachers of English for other American republics.....	100,000	37,900	28
Assistance to schools in other American republics.....	250,000	103,900	28
Assistance to cultural institutes in other American re- publics.....	300,000	249,150	29
Government in-ser- vice trainees.....	100,000	198,300	29
Interchanges of lead- ers and creative workers.....	150,000	153,000	29
Assistance funds for students of other re- publics.....	100,000	11,500	30
Books for institutions in other American republics.....	150,000	40,000	30
Interchanges in fields of art and music.....	100,000	145,982	30

See footnotes at end of table.

Summary of special projects—Continued

	Fiscal year 1943	Fiscal year 1942, esti- mated obli- gations	Page refer- ence
SPECIAL PROJECTS—CON.			
Information Department—Continued.			
Science and Education Division—Contin.			
Inter-American Institutes in the United States.....	\$150,000	\$55,000	31
Teaching aids on inter-American affairs.....	100,000	140,797	31
Other projects.....		395,889	
Subtotal.....	1,700,000	1,641,418	
Division of Inter-American Activities in the United States:			
Assistance to inter-American centers in the United States.....	75,000	49,500	32
Reception and care of officials and eminent visitors.....	25,000		32
Inter-American exhibits.....	20,000	10,000	32
Other projects.....		165,635	
Subtotal.....	120,000	225,135	
Total for Information Department.....	10,624,000	7,799,220	
Basic Economy Department:			
Basic Economy Division:			
Health and sanitation, nutrition and food supply, and emergency rehabilitation.....	10,000,000	25,335,714	37
Scientific hospital and other technical equipment.....	300,000	4,100	37
Professional, technical, and consulting interchanges.....	500,000	463,825	37
Other projects.....		955,800	
Subtotal.....	10,800,000	26,759,439	
Regional Division: Coordination committees, expenses and small projects.....	425,000	749,580	38
Total for Basic Economy Department.....	11,225,000	27,509,019	
Commercial and Financial Department:			
Inter-American Development Commission.....	250,000	90,000	40
Inter-American Trade Scholarships.....	200,000	10,850	41
Civil aviation training program in other republics.....	100,000	47,450	41
Cooperation in Army Air Corps training program.....	100,000	50,000	41
Cooperation in Navy Air Corps training program.....	50,000	50,000	42
Merchant marine training program.....	50,000		42
Highway surveys.....	20,000	11,000	42
Railway surveys.....	20,000	6,363	43
Other projects.....		574,534	
Total for Commercial and Financial Department.....	790,000	840,197	
OTHER PROJECTS			
Confidential projects.....	500,000	148,000	44
General projects.....	100,000	186,888	44
Legal projects.....	10,000	52,100	46
Total other projects.....	660,000	386,988	
Grand total for special projects.....	23,534,000	36,838,624	(1)
PERSONAL SERVICES			
Per annum workers:			
Number.....	(675)	(615)	
Amount.....	\$1,917,900	\$1,738,750	
Temporary personnel.....	20,000	15,000	
	1,937,900	1,753,750	

See footnote at end of table.

Summary of special projects—Continued

	Fiscal year 1943	Fiscal year 1942, esti- mated obli- gations	Page refer- ence
PERSONAL SERVICES—CON.			
Less delays in filling positions, lapses, furloughs.....	\$109,400	\$429,519	
Net personal services.....	1,828,500	1,324,231	
OTHER EXPENSES			
Travel.....	95,000	95,000	
Transportation of things.....	5,000	5,654	
Communications services.....	80,000	77,228	
Rents and utility services.....	17,000	13,161	
Printing and binding.....	40,000	80,240	
Other contractual services.....	3,000	3,340	
Supplies and materials.....	28,000	35,460	
Equipment.....	7,500	61,910	
Total other expenses.....	275,500	371,993	
Total projects, personal services, and other expenses.....	25,638,000	38,534,848	(1)

¹ The special projects funds obligated for special projects in the fiscal year 1942 includes \$3,000,000 contract authorization under the Second Deficiency Appropriation Act of 1941 and \$20,000,000 contract authorization for the fiscal year 1943 under the Independent Offices Appropriation Act of 1942.

Mr. McKELLAR. I desire to call especial attention to the items under the commercial and financial department of this activity:

Inter-American Development Commission, \$250,000.

Inter-American trade scholarships, \$200,000.

Civil aviation training program in other Republics, \$100,000.

Cooperation in Army Air Corps training program, \$100,000.

Cooperation in Navy Air Corps training program, \$50,000.

Merchant marine training program, \$50,000.

Highway surveys, \$20,000.

Railway surveys, \$20,000.

Other projects, \$574,534.

There are also items of "Confidential projects, \$500,000"; "General projects, \$100,000", and "Legal projects, \$10,000."

Mr. McNARY and Mr. BYRD addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Tennessee yield, and if so, to whom?

Mr. McKELLAR. I yield first to the Senator from Oregon, and then I shall yield to the Senator from Virginia.

Mr. McNARY. Mr. President, I observe that the item about which I have propounded a few questions amounts to \$28,660,500. It is a large item, and might be considered such in normal times and to have its place in the national economy. I am not criticizing anything that is being done. I am simply in an inquiring mood. I should like to be advised why I should vote for this large item of \$28,000,000. I have read in the record of the hearings, which has been called to my attention by the very able Senator from Connecticut, the statement of Mr. Nelson A. Rockefeller, Director, appearing at page 131 of the Senate hearings, which were placed on the desks this noon. I read his statement appearing at that point:

Mr. ROCKEFELLER. With your permission, Mr. Chairman, I should like to talk off the record and give you a brief picture of what the problem we are up against is and how we are trying to meet it, if you gentlemen can allow me the time.

(A discussion followed off the record.)

That is all the enlightenment I have been able to obtain from referring to the hearings which were placed on my desk and on the desks of other Senators at 12 o'clock today. I wonder about the explanation. Awhile ago the Senator stated that some of the answers of Mr. Rockefeller were off the record, as well as some of the explanation given relative to the proposed appropriation of \$28,000,000.

Mr. McKELLAR. Yes.

Mr. McNARY. That is the record made before the committee.

Let us look at the provisions of the bill. On page 11 of the bill, in lines 15 and 16, following the appropriation of \$28,660,500, I find the following item:

Entertainment of officials and others of the other American republics.

How much money is provided for entertainment of officials and representatives of other American republics?

Mr. McKELLAR. We have no record as to that. Necessarily there must be a wide amount of discretion.

Mr. McNARY. Did Mr. Rockefeller tell the committee privately how much of this item of \$28,000,000 plus he was expending for entertainment of his friends, the good people of South America, or visitors from South America who come to the United States?

Mr. McKELLAR. No; he did not. He did not tell us the amount. Let me read the appropriate paragraph of the bill.

Mr. McNARY. I shall be glad to have the Senator do so.

Mr. McKELLAR. I am sure the Senator knows in a general way the conditions in South America.

Mr. McNARY. Yes.

Mr. McKELLAR. We have very active opposition there on the part of our enemies, both the Japanese and the Germans. I remember that several years ago when I was in Lima, Peru, great numbers of Japanese were holding meetings almost every hour or two in the same hotel at which I was staying. That was in 1937. The Germans likewise were extremely active. I am sure that at that time they were entertaining South Americans, and South Americans were entertaining them. In other words, we had the liveliest opposition for trade even at that time in those South American countries. Both the Germans and the Japanese have a very firm hold there; and it is the desire of the United States to encourage the best possible relationships with the people of those countries.

I shall read the entire paragraph as it appears in the bill. By the way, the Senate committee changed the paragraph only in a very small item—the difference between \$28,638,000 and \$28,660,500; originally the appropriation was \$28,638,000, and the committee changed it to \$28,660,500—a difference of \$22,500.

I read paragraph 5:

PAR. 5. Office of the Coordinator of Inter-American Affairs: For the Office of the Co-

ordinator of Inter-American Affairs, \$28,660,500, including \$3,000,000 for payment of obligations incurred under the contract authorization of \$3,000,000 under the head, Office for Emergency Management, in the Second Deficiency Appropriation Act, 1941, and the unobligated portion of said contract authorization is hereby continued in effect until June 30, 1943.

Listen to the various items:

Employment of aliens; entertainment of officials and others of the other American republics; payment of living allowances to employees with official headquarters located abroad in accordance with the act of June 26, 1930 (5 U. S. C. 118a), and regulations promulgated thereunder; grants of money or property to governmental and public or private nonprofit institutions and facilities in the United States and the other American republics; the free distribution, donation, or loan of publications, phonograph records, radio transcriptions, art works, motion-picture films, educational material, and such material and equipment as the Coordinator may deem necessary and appropriate to carry out his program; such other gratuitous assistance as the Coordinator deems advisable in the fields of the arts and sciences, education and travel, publications, the radio, the press, and the cinema; paying the expenses of transporting employees of the Office of the Coordinator and their dependents and their effects from their homes to their places of employment in the other American republics, or from their homes in the other American republics to their places of employment, and return or from one official station in the other American republics to another for permanent duty when specifically authorized or approved by the Coordinator under regulations approved by the President; causing corporations to be created under the laws of the District of Columbia, any State of the United States, or any of the other American republics, to assist in carrying out the Coordinator's program and capitalizing such corporations: *Provided*, That corporations heretofore or hereafter created or caused to be created by the Coordinator primarily for operation outside the continental United States shall determine and prescribe the manner in which their obligations shall be incurred and their expenses allowed and paid without regard to the provisions of law regulating the expenditure, accounting for and audit of Government funds, and may, in their discretion, employ and fix the compensation of officers and employees outside the continental limits of the United States without regard to the provisions of law applicable to the employment and compensation of officers and employees of the United States: *Provided further*, That the Coordinator shall transmit to the President immediately upon the close of the fiscal year a complete financial report of the operations of such corporations: *Provided further*, That not to exceed \$500,000 of this appropriation shall be available to meet emergencies of a confidential character to be expended under the direction of the Coordinator, who shall make a certificate of the amount of such expenditure which he may think it advisable not to specify and every such certificate shall be deemed a sufficient voucher for the amount therein certified.

It will be seen from a simple reading of this provision that the duties of the Coordinator are of a very highly confidential nature. The situation cannot be otherwise. Twenty-eight million dollars could not be used openly, probably, and still have as good an effect in the national interests at this time of our country's peril.

When I was interrupted, I was about to say something about the Coordinator, and it is necessary that I say something about him. He testified, as I recall—and I shall ask other Senators who were present to corroborate my statement—for approximately 3 hours or more before the committee. No one ever made a better impression upon me than did Mr. Rockefeller in his testimony. He showed that he was exceedingly familiar with every one of the Central and South American States, their governments, their peoples, their institutions, their tendencies, their likes and dislikes, their business associations with foreign countries, as well as with our own country. I believe no one else could have so fully demonstrated, as he did demonstrate, what the United States was undertaking to do in bringing about a better feeling, a better and more profitable association between the people of Central and South America and our own people.

I felt very much as the Senator from Oregon seems to feel about this matter, that it was a large sum of money, and I wanted to know what it would be spent for. We were told the items, possibly with the exception of the amount spent on dinners for public officials, and I do not think a question was asked on that point, and, judging from the remainder of the testimony, I am quite sure that this gentleman did not overstate the matter.

Mr. McNARY. Mr. President—

Mr. McKELLAR. I yield to the Senator from Oregon.

Mr. McNARY. Mr. President, I have no doubt of the exemplary character and splendid work that this diplomat, Mr. Rockefeller, is performing in South America. That, however, is quite beside the question. I have listened to the reading of the provision, and I am at a loss to find a foundation for even a suspicion that either aid or comfort would be given to the Axis Powers if the facts were related to the committee. I am willing to observe, as every other American is, the secrecy which is necessary for us in the prosecution of the war, and so as not to give aid and comfort to the enemy; but when there are included in the appropriation items for entertainment purposes, for periodicals, for moving pictures, and all the other objects specified, to withhold from the Congress information upon those subjects upon the theory it is going to aid Mr. Hitler and his associates is more than absurd. It is too bad the committee did not go into some of these subjects, which are of very great interest to the country and involve a huge sum of money, rather than to be transfixed by the testimony of a very capable diplomat.

Mr. McKELLAR. Mr. President, I wish to say that we were not transfixed. We are still able to navigate; I think every member of the committee is still able to get around and still able to think on his feet. However, we came to the conclusion that this appropriation was justified, just as the House of Representatives came to a similar conclusion. I still feel the same way, and I think it would be exceedingly inimical to the in-

terests of the United States at this time to go in detail into the statements which were made by the witness before the committee.

Mr. AIKEN. Mr. President, I should like to ask the Senator from Tennessee if this appropriation is intended to cover the purchase and distribution of radio sets among the people of Central and South America as well as radio transcriptions, motion-picture films, publications, and so on.

Mr. McKELLAR. It will be possible to purchase radio sets and moving-picture films and to use them; indeed, that is the purpose of the provision. As was testified, it has been found that one of the best ways possible to place the views and aims and purposes of the American Government before our South American and Central American neighbors is through the radio and through moving pictures.

Mr. AIKEN. And this would be done to counteract the activities of the Axis nations, who are already employing such means?

Mr. McKELLAR. They undoubtedly are employing the same methods, and we are employing them in exactly the same way for the purpose of counteracting their efforts and for the purpose of laying before the South American and Central American republics the true situation as to this war as we see it. To my mind, of the enormous sums of money which have been spent during this war no sum has been spent to better advantage than the amount provided by this appropriation. I want again to assert, notwithstanding the criticism that may come because of the assertion, that I think the money provided is being very intelligently spent by the director of this activity.

Mr. President, if there is no other question about this item—and I shall be glad to answer any other questions about it if any Senator desires to propound a question—I desire to proceed to another matter.

Mr. BYRD. Mr. President, before the Senator leaves the subject now under discussion, I should like to ask him what is the increase in the appropriation for the Office of Coordinator of Inter-American Affairs compared to the appropriation for the previous year.

Mr. McKELLAR. Instead of there being an increase, there is a decrease from the appropriation of last year. Last year the appropriation was \$38,534,848 while this year the entire amount is \$28,660,500.

Mr. BYRD. Why is there a decrease?

Mr. McKELLAR. A great many expenditures were necessary during the first year which would not be necessary the second year. As the Senator knows, I am very greatly interested in economy in governmental expenditures, in civil expenditures, anyway.

Mr. BYRD. I know the Senator is.

Mr. McKELLAR. And I hope that there may be a decrease in the appropriations of this activity next year. I think it will be possible to bring about such a decrease.

Mr. BYRD. Frankly, I think the Senator has done more for economy than, perhaps, anyone else, and his judgment

has great weight with me; but what disturbs me about this appropriation—and I have a high regard for Mr. Nelson Rockefeller—is that this activity is spending more than the entire State Department. The whole State Department is spending \$27,000,000, while in excess of \$28,000,000 is being appropriated for the office of the Coordinator of Inter-American Affairs in South and Central America alone. Furthermore, the State Department allocates \$1,500,000 of its \$27,000,000 appropriation to uses in South America. Could there not be some coordination between the State Department and this special agency?

Mr. McKELLAR. There is. Not only is there coordination and cooperation between this activity and the State Department, but the State Department has recommended these expenditures. If the Senator from Virginia and other Senators will think a moment, they will appreciate the necessity of such activities as have been carried on. We all know the general situation in the countries which lie to the south. It is very necessary that we keep alive the very best of feeling and understanding with our South and Central American neighbors. Most of them have been exceedingly courteous and cooperative, and there are certain things we can do to encourage that feeling, things which are perfectly proper. I am sure that no dishonesty or anything else of a questionable character is connected with it.

Mr. BYRD. The Senator has examined in detail, in confidential session, into these expenditures, and he is satisfied they are made for a worthy purpose; otherwise he would oppose them. But what disturbs me, frankly, is that this agency is spending more than is expended by the entire State Department, which I understand is doing work very similar in nature. As a matter of fact, the clerk of the committee tells me that \$1,500,000 of the State Department appropriation is allotted for the specific purpose of work in South America.

Mr. McKELLAR. That is true.

Mr. BYRD. In addition to what is provided for this particular agency itself.

Mr. McKELLAR. It seems that Mr. CANNON of Missouri, of the House, took up with Secretary Hull the very matter of which the Senator speaks, and on June 6, 1942, Mr. Hull addressed a letter to Mr. CANNON of Missouri, which reads as follows:

JUNE 6, 1942.

The Honorable CLARENCE CANNON,
Chairman, House Committee
on Appropriations,
House of Representatives.

MY DEAR MR. CANNON: In response to a suggestion that I give my views with regard to the budget of the Coordinator of Inter-American Affairs for the coming fiscal year, I am glad to write this letter.

During this fiscal year the Coordinator of Inter-American Affairs and the Department of State have cooperated closely and effectively in order that the activities of the two agencies would contribute in the greatest degree to the attainment of the objectives of our foreign policy. Through the integration of planning and execution overlapping and duplication have been eliminated, and each agency has been enabled to complement the

other in maintaining and improving our good relations with the other American republics in this critical time.

I am confident that this close integration of effort will continue during the coming fiscal year and that both agencies will be able to work with increasing effectiveness toward the achievement of their joint objectives in the field of inter-American affairs.

Representatives of the Department have discussed in considerable detail various aspects of the budget of the Coordinator of Inter-American Affairs with him and with officials of the Bureau of the Budget. In this discussion the Department made it clear that it had made no endeavor to pass upon the personnel aspects of the budget either as to classification or number; that it supported the appropriation of funds for the carrying on of emergency activities arising out of the present crisis and directly or indirectly related to the winning of the war; and that it, of course, will welcome the opportunity, provided for in existing procedures, of examining and passing upon all projects which are developed under the broad categories set forth in the Coordinator's budget without detailed specification. This latter procedure is considered especially important in view of the rapid changes in the international situation which make it impossible at this time to foresee in every respect the exact nature and extent of wartime activities that will have to be undertaken in the inter-American field.

In considering this budget, the Department has had in mind the importance of maintaining a long-range viewpoint with respect to our relations with the other American republics. During the last war many activities were initiated by our Government to improve relations with these countries. The almost complete cessation of these activities following the termination of the war raised doubts which have persisted to this day as to the bona fide character of our real interest. It would be a calamity if this same experience were now to be repeated, particularly in view of the notable progress that has been made under the good-neighbor policy. I therefore have considerable reserve regarding the desirability of this Government undertaking activities of a continuing nature unless there is reasonable assurance that funds, public or private, will be available to carry on these activities once the present emergency has terminated and special appropriations are no longer available. This consideration applies to any appropriations for inter-American projects that involve financial obligations for activities which in the eyes of the other American republics appear to warrant continued support as contrasted with emergency assistance.

Sincerely yours,

CORDELL HULL.

It seems to me that the letter indicates, as nearly as can be done, that these moneys are being spent economically and profitably to the American people.

I may say that as to a part of the appropriations the Coordinator has to report to the President. I dare say he reports to him as to all of them.

Mr. BAILEY. Mr. President—

The PRESIDING OFFICER (Mr. HATCH in the chair). Does the Senator from Tennessee yield to the Senator from North Carolina?

Mr. McKELLAR. I yield.

Mr. BAILEY. I should like to know just what this money is spent for. What does this agency do with the \$28,000,000?

Mr. McKELLAR. I think the Senator was not present when I read from the House hearings,

Mr. BAILEY. I was about to ask the Senator from what page he had been reading.

Mr. McKELLAR. If the Senator will look at pages 556, 557, and 558 of the House hearings, he will see what the money is spent for.

Mr. HAYDEN. Mr. President, may I interrupt the Senator?

Mr. McKELLAR. I yield to the Senator from Arizona.

Mr. HAYDEN. I will state the situation as to all these items. When the bill was before the House Committee on Appropriations, elaborate justifications were made. The printed hearings were available to our committee. We were pressed for time. For that reason we did not require each agency appearing before us to repeat its justification, but by reference to the testimony before the House committee we could ascertain the breakdown of the various items.

In the case of Mr. Rockefeller, he having made an elaborate justification before the House committee in detail, we did not have that put into our record. The matters he brought to our attention he asked to have kept ~~in~~ the record, for quite obvious reasons. We are dealing with a situation which for years has been exploited by the Italians, by the Germans, and by the Japanese. In South America they have controlled, to a large extent, the radio; they have controlled the press; they have controlled the airways. In some of the countries there where our nationals may be counted by the hundreds, theirs run into the millions; born in those countries are large numbers of Italians, large numbers of Germans, and in recent years there has been a very heavy Japanese immigration.

Mr. McKELLAR. Especially on the western coast.

Mr. HAYDEN. Whereas the number of Americans in those countries are comparatively small. It was, therefore, natural, in the effort to place before the people of those countries our idea of what the war is about, to combat what the others have been doing, and we had to use these various methods.

For example, the newspapers in those countries were practically all controlled, by subsidy or otherwise, by our alien enemies. Mr. Rockefeller explained to us in detail what had been done to meet that situation. It is not proper to put that in the RECORD, of course.

Mr. BAILEY. Is there anything wrong about that? I am not disposed to claim that I have not some suspicion of what must be done. There is no telling about that.

Mr. HAYDEN. He told us all about it.

Mr. McKELLAR. He was just as frank and open as the Senator is even on the floor of the Senate. The Senator is frank and open at all times.

Mr. BAILEY. Did he satisfy the committee?

Mr. HAYDEN. Completely.

Mr. McKELLAR. The impression he made upon me was an impression like that made on me by the Senator from North Carolina when he delivers one of his admirable addresses.

Mr. BAILEY. I ask the Senator a pointed question: Where it was found

that the Japanese or the Italians controlled a certain paper, what was done with the \$28,000,000 to break down that control?

Mr. McKELLAR. That is a matter I think it would be very unwise to speak about on the floor.

Mr. HAYDEN. What Mr. Rockefeller does is not by deception; it is by telling the truth. His idea of impressing the South American people with the justice of our cause is to tell them the truth about it, to tell them truthfully what we are doing in the war.

Mr. BAILEY. It never has cost anyone \$28,000,000 to tell the truth. There must be something more than that.

Mr. McKELLAR. There is nothing wrong about it.

Mr. BAILEY. Does the Senator mean to say that we spent \$28,000,000 to tell the truth?

Mr. McKELLAR. Not all of that sum may have been used for telling the truth, but it was used to carry out the program of America in this war, and the results have been very beneficial. I assure the Senator that, in my judgment, which is based on facts given to our committee, the results have been exceedingly beneficial and they will continue to be. I believe we have been exceedingly lucky in our negotiations and in our associations with our South American neighbors.

Mr. BAILEY. It is a new conception of dollar diplomacy. Is that the idea?

Mr. McKELLAR. No; I should not say that. I do not at all believe it is dollar diplomacy. I believe it is an endeavor to let the people in South and Central America know exactly what we are striving to do—namely, to accomplish something for the peace of the world.

Mr. McNARY. I do not wish to pursue in a tiresome way the discussion of a matter about which the Senator is unable to inform me. But information has come to me from someone who knows what is taking place in the committee, who is familiar with the committee action, that of this sum of twenty-eight-million-dollars-plus, \$700,000 of the taxpayers' money is to be expended to circulate free a delightful publication similar to *Life*, called *On Guard*, as translated into the American language. Is that true?

Mr. McKELLAR. I understand that to be true.

Mr. McNARY. I thank the Senator. I will confer with other members of the committee, and possibly I may be able to obtain some light on this subject during the day.

Mr. McKELLAR. I am sorry I cannot go into the subject with as much detail as the Senator would wish, but if he will ask me any specific question, as he has just done, and I have the information, I shall certainly be glad to enlighten him.

Mr. President, I have a few more words to say about the bill before it is read for action on the amendments.

I wish to explain, if I may, that the House provided a total appropriation of \$1,808,669.615.47. The Senate committee increased that amount by \$48,132,095.43.

The estimate for the Office of Price Administration was \$161,000,000. The bill as it passed the House contained an item of \$75,000,000, and the bill as reported to the Senate recommends an appropriation of \$120,000,000. During the discussion of the bill in the committee, the Price Administrator was asked to review the Budget estimate and give the committee the benefit of such a restudy. Based on the restudy, the Price Administrator submitted a revised budget amounting to \$140,000,000.

The committee is of the opinion that in a number of instances the different divisions have too elaborate personnel set-ups, and that considerable savings can be made in the various offices. Specific attention is called to the number of employees contemplated for the Inspection Service. The original estimate for that Service called for approximately 6,000 employees. It is the feeling of the committee that the number can be reduced considerably and that the present force of approximately 3,000 inspectors and 1,300 clerks and stenographers is sufficient to perform the functions of the inspection, and provision is made in the bill for that number of employees.

Mr. President, I wish to say that as a Senator I have received a great number of letters complaining about the number of inspectors, even the 3,000, the number now in this agency. They are not called inspectors by my correspondents; they are called snoopers. They come from outside and go into a business house in a city and ask all kinds of questions. They are regarded by the businessmen of these cities as snoopers rather than as inspectors. I do not know how important that is. I can only say that the complaints have been very general, both in the newspapers and in the letters I have received.

Another division that seemed to the committee to be overstaffed was the Legal Division. The original budget called for 4,518 employees, the greater proportion of whom were attorneys. I believe that about 3,000 or 3,200 of the employees were lawyers, and the remainder were stenographers. That seemed to be an enormous number of lawyers to be turned loose on the public at this time. It may be necessary to have that number in the future administration of this activity. I do not know; but, right at the beginning, a force of 4,500 or more lawyers as contemplated seems to be an enormous number to undertake to do what is now required to be done in the enforcement of the Price Control Act. We, therefore, reduced the appropriation, as it related to lawyers, about one-third.

Mr. McNARY. Will the Senator yield?

Mr. McKELLAR. I yield to the Senator from Oregon.

Mr. McNARY. Does the able Senator in charge of the bill have a break-down showing the number of lawyers in the various regions?

Mr. McKELLAR. We asked for it, and I will see if I have it here.

Mr. McNARY. Let me ask, as a preliminary question, how many regions there are in the country.

Mr. McKELLAR. Twelve or fourteen regions were contemplated. I do not believe all of them have been set up.

Mr. HAYDEN. The number was reduced to six.

Mr. McNARY. It was reduced to six?

Mr. HAYDEN. It was originally contemplated under the Budget estimate that there would be 12 regions, and we were advised that under this program there could not be more than 6.

Mr. McNARY. Can the Senator specify for the Record the States comprising the various regions, and also the number of directors operating in them?

Mr. McKELLAR. We will come to that.

Mr. McNARY. In each State there is a director; is that correct?

Mr. McKELLAR. There is a director in each State, and then there are, much to my regret, regional directors, who, I think, are like a fifth wheel on a wagon.

Mr. McNARY. What I should like to have—and I am certain the committee can give the information—is the number of directors in the States, and the number of lawyers employed in each one of the States under the directors.

Mr. McKELLAR. The Senator recalls that this organization has been set up only a short time. There is one director in each State.

Mr. McNARY. I understand that. How many lawyers are there advising the director in the State of Tennessee?

Mr. McKELLAR. I will come to that in a moment. It can easily be seen that if 3,000 lawyers are provided there will be at least 1 lawyer for each county in the United States. If the allocation of lawyers were based on the number of counties in the State, there would be 95 lawyers in the State of Tennessee. It seemed to me, as it seemed to all the other members of the committee, that too many lawyers were asked for—that the organization would be top-heavy with lawyers—so we cut down the number by one-third. We cut down the number of inspectors by a smaller amount than one-third. We were enabled to cut down the travel pay to the extent of the cut in the number of inspectors and lawyers. We have a reason for every cut which was made in this appropriation.

Senators must remember that the Bureau of the Budget, in the first place, fixed the amount of \$161,000,000 for this organization. Then the Director of the Bureau of the Budget—and I thought it was very fine of him to do it—at the request of a member of the committee, my good friend the Senator from Arizona [Mr. HAYDEN], voluntarily cut that amount by \$21,000,000. That left it \$140,000,000. The Senate committee cut off a certain number of lawyers, a certain number of stenographers and clerks who would go along with the lawyers, and a certain number of inspectors, as well as the travel pay for inspectors and lawyers. We also felt that there were more employees in Washington than were necessary at this time, and their number was reduced slightly. While we did that, we provided for clerks or stenographers for local boards which seemed to the committee very necessary.

Taking it all in all, we cut off an additional \$20,000,000 for those purposes.

We believe that \$120,000,000 will enable this organization to function fairly, justly, vigorously, and actively. In my judgment, the work which can be done by this organization with \$120,000,000 will probably be just as good or better than with \$161,000,000.

Mr. President, there cannot be an accurate statement made as to how much money is necessary to do the work which must be done by this organization, for the reason that at first Mr. Henderson asked for \$210,000,000. If that amount were absolutely necessary it should have been provided. But when he took his request for \$210,000,000 before the Bureau of the Budget, that Bureau reduced the amount to \$161,000,000. When the bill went to the House, the House subcommittee fixed the amount at \$95,000,000. When it went to the full committee the committee cut it to \$75,000,000. As passed by the House the amount was \$75,000,000.

The bill came to the Senate, and the Senate Appropriations Committee added \$45,000,000 to that sum. We added what we believed the evidence shows to be necessary to carry out the purposes for which the organization was established. We have reasons for every dollar of reduction we have made. We believe that \$120,000,000 is the proper amount for this activity. The matter must go to conference. We must confer with the House conferees about it. I do not know what their attitude will be. Some say they are willing to accept the Senate figures; others say they are not. I think the Senate committee figures are about right, and I hope the Senate will leave the amount at \$120,000,000.

Mr. AIKEN. Mr. President—

The PRESIDING OFFICER (Mr. CHAVEZ in the chair). Does the Senator from Tennessee yield to the Senator from Vermont?

Mr. McKELLAR. I yield.

Mr. AIKEN. I recall reading in the press that a request was made by Mr. Henderson for \$210,000,000. It seems to me that at the same time the statement was made that he would employ some 90,000 men and women in the Office of Price Administration. Does the Senator from Tennessee understand what those ninety to one hundred thousand employees were to be used for?

Mr. McKELLAR. They were to be used provided Mr. Henderson received the \$210,000,000 he requested. The use of that number of employees was based on an appropriation of \$210,000,000. That amount was largely to be used for the salaries of lawyers, of inspectors, and of other employees. I think about 90,000 employees were to be used if the \$210,000,000 requested were granted. The amount was to be used almost entirely for salaries of lawyers, inspectors, stenographers, and clerks.

Mr. AIKEN. Can the Senator tell me what the total number of employees in the Office of Price Administration is expected to be under the \$120,000,000 provision?

Mr. McKELLAR. It is not possible to be absolutely accurate, but I will say the number of employees will be approximately 45,000 or 48,000.

Mr. AIKEN. I thank the Senator.

Mr. HAYDEN. Mr. President, may I interrupt the Senator?

Mr. McKELLAR. I yield.

Mr. HAYDEN. A force of 90,000 employees was based on an appropriation of \$210,000,000, \$10,000,000 of which amount was to take care of some past expenditures. On the basis of the Budget estimate of \$161,000,000 there were to be 66,000 employees. Under the provision as reported by the Senate Appropriations Committee the closest estimate I can make is 46,000 employees.

Mr. McKELLAR. I think that is about right. I said from 45,000 to 48,000 employees.

Mr. HAYDEN. That is correct.

Mr. McKELLAR. I cannot be accurate about the matter, because in establishing the increased set-up naturally occasion for other expenditures may arise, which will necessitate cutting off a few employees. On the other hand, other expenditures may not be so great as anticipated, and a few more employees may be added. But certainly the greater part of the appropriation, or practically all the appropriation, will be expended for payment of employees, and for their travel expenses. A great many of them will travel. That results in greatly increased expenditure. Whenever an employee of the Government travels on business, it results in an addition to his compensation of \$150 a month, for he receives not only travel pay, but subsistence of \$6 a day, in addition to the salary he receives. Travel on Government business is enormously expensive.

Mr. President, the committee does not want to cripple this agency. It wants to help it. It wants to cooperate with it. The agency has been established by law, and it should carry on its work. Its purpose is a fine one. As we all realize, inflation must be stopped, and if it can be stopped under the plan of this organization we want to give it every opportunity in the world to do it, and to furnish it the money with which to do it.

In view of the wide divergence of opinion concerning the amount of money needed, our committee has done what I think is not only a conscientious but a fair and an impartial job. If there was any unfairness, or any desire to hurt the Office of Price Administration on the part of any member of the committee, I do not recall it. There are members of the committee present, and if they think any such desire was manifest in the committee I am sure they will say so.

Mr. VANDENBERG. Will the Senator yield?

Mr. McKELLAR. I yield.

Mr. VANDENBERG. I do not understand how either the Administrator or the committee can tell how many employees are needed until it is determined to what extent during the next fiscal year the rationing program is to be extended.

Mr. McKELLAR. That is true.

Mr. VANDENBERG. Is not the size of the Administration related in some degree to the size of the task?

Mr. McKELLAR. It would seem so. I have said that this is a new proposal. The Senator will recall that in the last war—he was not in the Senate at the time—we did not have price fixing, and this proposal is a new one in our history

and will have to be worked out. That is another reason why, in the very beginning, we ought not to appropriate everything that is asked.

Mr. VANDENBERG. Did the Administrator undertake to gear his request to the task he has in hand?

Mr. McKELLAR. Yes; I think he did.

Mr. HAYDEN. There is no question about that.

Mr. McKELLAR. So far as he was able to determine.

Mr. VANDENBERG. There must be some question about it, for how does he know how extensive the rationing program will be in the next 12 months?

Mr. HAYDEN. He knows that certain commodities are now rationed. He knows what it costs to do that. He knows that if additional commodities are included in the program it will cost money to ration them. He made to the committee this kind of an estimate, which we had before us, namely, that on the basis of this sum of money certain rationing cannot be done. I think that is a wise decision. If we provide \$120,000,000 to do the things he has immediately in front of him to do, and then it is determined later that additional commodities are to be rationed, the way is open to him to come to the House Committee on Appropriations, by way of a Budget estimate, and say, "If you want me to ration certain additional commodities, it will cost so much to do it. If the Congress wants that done, appropriate the money and we will do it."

The same statement applies with respect to rent control. He said to us, "There are certain areas in the United States where the Housing Administration wants rent control. I cannot meet all the requirements with the amount of money appropriated by the House. I cannot do it as fully as might be requested with the amount of money you gentlemen have provided in this bill."

Our answer is that if there are additional areas which require rent control, Congress will be in session, and if the proper representation is made, the Congress will appropriate the money and rent control can be extended; otherwise not.

Mr. VANDENBERG. Am I to understand that this enormous sum of money is necessary to administer price control and rationing on the basis of existing projects?

Mr. HAYDEN. Yes.

Mr. VANDENBERG. If rationing is to be expanded, and if a larger field of control is to be established, that will call for an additional appropriation.

Mr. HAYDEN. According to the testimony of Mr. Henderson, that is true.

Mr. VANDENBERG. So this is only a starter. I do not see how we can tell what the figure will be for the next 12 months until we know what the job is.

Mr. HAYDEN. That is the reason the House did not allow the full amount of money asked by the Administrator. That is the reason the Senate committee has not recommended the full amount of money asked by the Administrator. This activity is new. It is experimental. When the Administrator sets up an organization, 60 or 90 days from now the questions which the Senator is asking

can be answered much more definitely; but until the administration is set up and has been operating for a longer time we cannot judge or guess. It is all new. It is something that has never before been done in America.

Mr. McKELLAR. Mr. President, I wish to put somewhat of a limitation on the statement which the Senator from Arizona has just made. What he has said is exactly true in itself; but there is a provision in the bill that in July the Administrator, as other administrators are required to do, shall make allotments of the funds provided so as to extend them over the entire period of 12 months.

Under the law he is not permitted to incur a deficiency; but if a new situation should develop, Congress can consider it. Any additional appropriation will have to be made by Congress. The proposed appropriation must be allotted on a monthly basis. Let me read the language to the Senator. It is on page 22 of the bill:

That such appropriation of \$120,000,000 shall be so administered during the fiscal year 1943 as to constitute the total amount that will be furnished to such Administration during such fiscal year for the purposes set forth in this paragraph and shall not be augmented by allocations or transfers of funds from any other appropriation.

That has been agreed to. For example, one of the areas in which rent control will operate is Detroit, a large city in the Senator's State. Suppose another area were found in which rent control should operate, such as New York, or some other city where rent control will not operate under the terms of the pending bill. If the Congress should find that it is absolutely necessary to have rent control in any particular area, it can devolve upon Mr. Henderson the duty of arranging for rent control in that area. Of course, as the Senator from Arizona has said, that can be done and should be done; but this appropriation is for 12 months, and must be allocated. It may not be increased from other sources.

Mr. HAYDEN. Mr. President, I think the Administrator understands that perfectly, because in his statement he says:

We shall go to the limits of our administrative ingenuity in attempting to work under the limits of the appropriation.

He knows that under the law he must divide the \$120,000,000 into 12 parts. That does not necessarily mean that the amount of money expended in July will be exactly the same as the amount of money spent in December. He must make an allocation in July of what he expects to spend in July. He further states:

There are several ways to come within the \$120,000,000 if finally approved. It now looks as if Office of Price Administration could meet the reduction by eliminating 96 planned district offices, by cutting out 8 expected rationing programs, by eliminating control in 100 of the already announced areas.

So he had in mind the various things he was expected to do, or wanted to do, and made up a budget estimate for \$210,000,000. That was reduced by the Bureau of the Budget to \$160,000,000. It is now reduced to \$120,000,000. Obviously, he cannot do as much with \$120,-

000,000 as he could with \$160,000,000. He is pointing out where reductions can be made.

What I indicated, and what the Administrator evidently understands, is that if he can make a case before the House Committee on Appropriations showing that in order to expand rent control more money is necessary; and if the committee determines that an expansion of rent control is desirable, it can allow the money; but under this program he could conduct only a limited amount of rent control.

Mr. VANDENBERG. I thank both Senators for their comments and information. To me the ironical thing about the whole business is the idea which has been given out in the past 10 days—perhaps at Mr. Henderson's initiative—that somehow or other the success or failure of price control will depend upon how much money is appropriated to administer the existing law. That is an ironical situation from my point of view, because I do not think it is possible, with any amount of money appropriated for the administration of the existing price-control law, to protect this country against the inflation which is threatening so long as poor Mr. Henderson has no control whatever over wages. So long as the Price Control Administration is not geared in any way to wages, poor Mr. Henderson is out in the rainstorm with only half an umbrella.

Mr. HAYDEN. The Senator knows why that situation exists, does he not?

Mr. VANDENBERG. I know. I listened for days while it was explained most scrupulously that it is impossible to do anything with the wage factor. Perhaps it is impossible to do anything with the wage factor in or through the O. P. A.

Mr. HAYDEN. That is the point I wished to make.

Mr. VANDENBERG. If that is the point, it must be done in some other way.

Mr. HAYDEN. That is correct.

Mr. VANDENBERG. It has ceased to make any remote sense whatever that the Government of the United States can undertake to control the costs of production and leave about 80 percent of the cost of production uncontrolled. Until the Government, the administration, and the country frankly confront that situation I do not think we are going to save the country from inflation.

Mr. McKELLAR. Mr. President, the Senator may recall that I voted against the price-control measure. I presume the Senator from Michigan also voted against it, although I do not remember how he voted. Nevertheless, I was outvoted. Congress voted for the bill, and for that reason we have the law. It was thought by a majority of the Congress and by the President of the United States that that measure would prevent inflation. Therefore it is the duty of the Appropriations Committee, and I think it is our duty as Senators to uphold every proper appropriation to carry the law into effect.

Mr. VANDENBERG. I agree to that, Mr. President. I do not want to handicap Mr. Henderson any further than he is already handicapped by an inadequate law.

Mr. McKELLAR. It is probably true that he is handicapped by an inadequate law, but I do not want to handicap him by an inadequate appropriation. I have gone into this question as carefully and prudently as I could. From all the testimony before our committee, the committee unanimously agreed that \$120,000,000 would be sufficient at this time, and we have recommended that amount.

Mr. BYRD. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. BYRD. As I understand, Mr. Henderson's revised estimate is \$140,000,000.

Mr. McKELLAR. Yes.

Mr. BYRD. There is a difference of only \$20,000,000 between his own estimate and the appropriation recommended by the committee.

Mr. McKELLAR. That is all. I have already called the attention of the Senate to the fact that the proposed appropriation is \$45,000,000 more than that allowed by the House. I never was more astonished in my life than when I read in the newspapers that Mr. Henderson was not pleased with the proposed appropriation of \$120,000,000. Of course, that is a matter for him. I have no answer to make to any statements which he may have made on the subject, but it occurred to me that if I had been in his place I should have been delighted with an appropriation of \$120,000,000 for this purpose.

I wish to call attention to one other matter before I take my seat. A day or two ago I received a letter from Mr. Donald Nelson in reference to certain provisions of the bill which relate to his office. On page 46 of the bill there is this provision:

SEC. 205. No part of the funds appropriated in this act shall be expended to pay the salary of any person recruited from any other Government department or agency at a rate of compensation greater than that which such person was receiving from the department or agency from which recruited.

I ask unanimous consent that two letters from Mr. Nelson, one of which I received this morning, be printed in the Record.

There being no objection, the letters were ordered to be printed in the Record, as follows:

WAR PRODUCTION BOARD,
Washington, D. C., July 11, 1942.

HON. KENNETH McKELLAR, Chairman,
Subcommittee on Appropriations,
United States Senate,
Washington, D. C.

MY DEAR SENATOR McKELLAR: Reference is made to the provision in lines 16 to 24 inclusive, on page 9 of H. R. 7319 making supplemental appropriations for the national defense for the fiscal year ending June 30, 1943, and for other purposes. Under this provision the constituent agencies (except the War Shipping Administration) of the Office of Emergency Management and the Office of Price Administration are prohibited from establishing, in the District of Columbia or in the field, fiscal, personnel, procurement, space allocation or procurement, duplicating, distribution, communication, or other general services, wherever the Director of the Bureau of the Budget determines that the Division of Central Administrative Services can render any such services.

The War Production Board has made provision for departmental administrative serv-

ices in its fiscal 1943 budget, because it was believed that it would be less costly and more effective to have this work done by the War Production Board Administrative Division. This provision for departmental administrative services was approved by the President and does not duplicate or supplement any portion of the funds requested by other agencies of the Office for Emergency Management. It has been demonstrated that overcentralization of general administrative services can be a positive handicap in the carrying out of essential and important programs when time is a highly important factor.

I believe that the general administrative services are, of necessity, an integral part of the operations of this agency and that all determinations with respect to them should be vested in the Chairman of the War Production Board. It is respectfully requested that the War Production Board be included as an exception to the provision shown on page 9 of H. R. 7319 by the amendment of the language by inserting the words, "and the War Production Board," after the words, "War Shipping Administration," on line 17 of page 9.

Time did not permit the Bureau of the Budget to secure a statement of policy from the President respecting this change in the legislation. However, the Bureau of the Budget is aware that this letter is being forwarded to you and has interposed no objection.

Your assistance in effecting the change proposed above will be greatly appreciated.

Sincerely yours,

D. M. NELSON.

WAR PRODUCTION BOARD,
Washington, D. C.

HON. KENNETH MCKELLAR,
Chairman, Subcommittee on
Appropriations, United States Senate,
Washington, D. C.

MY DEAR SENATOR MCKELLAR: This morning I received one of the first available copies of H. R. 7319 (Senate Rept. No. 1542) making supplemental appropriations for the national defense for the fiscal year ending June 30, 1943, and for other purposes.

There are two provisions of the bill against which I feel compelled respectfully but vigorously to protest because they would irreparably damage this Board's administrative organization which has been so painstakingly and laboriously built and, thereby, create near chaos in the administration and execution of our vital war programs. I refer to section 205 and to the last proviso in paragraph 3 of title I of the bill.

Section 205, page 46, lines 14-19, inclusive: This section reads as follows:

"No part of the funds appropriated in this act shall be expended to pay the salary of any person recruited from any other Government department or agency at a rate of compensation greater than that which such person was receiving from the department or agency from which recruited."

Our general counsel's informal opinion is that this provision would apply to all present employees of the War Production Board who, since the creation of the Advisory Commission to the Council of National Defense, were recruited from other Federal agencies, either by the Board or by any of its predecessor agencies. A very large number of our employees would thus be affected. My objections to the provision are stated briefly as follows:

(1) It would be highly inequitable. In filling vacant positions in the War Production Board we have followed a policy of promotion from within to the fullest possible extent, thus giving preference to our own employees of demonstrated ability and capacity, regardless of whether or not they came to the Board from other Federal agencies. The effect of this provision would be unjustifiable discrimination against career

employees recruited from other Federal agencies. Of two men of equal attainments and rendering equally meritorious service, one of whom came from private industry and the other from another Federal agency, each at the same increase in pay, the Federal employee would suffer a cut in pay with no possibility of any increase during the fiscal year, while his colleague from private industry would continue at the rate of pay he is now receiving, with enhanced prospects of promotions with increases in pay, since he would no longer be in competition with regular Federal employees. The effects on morale and the work of the Board of any such discrimination are obvious.

(2) It would create insuperable problems of organization and management. Many employees recruited from other Federal agencies are now filling responsible supervisory positions to which they have been promoted, to the entire satisfaction of their superiors and their subordinates. If their rates of pay were reduced to the rates they were receiving in the agencies from which they transferred, many of them would be compensated at lower rates than their subordinates are receiving. In one section, a number of employees, none of whom is considered eligible for the position of chief of the section, would be at rates of pay higher than the rate for which the present chief would be eligible if effect were given to section 205 of the bill. No section chief will be enthusiastic about discharging his duties and responsibilities under such conditions even if, indeed, he could be persuaded to continue to serve as chief. The effects of the provision on supervisory positions would be disastrous to the work of the Board; the cost involved in making necessary staff adjustments would far exceed any saving effected through the salary reductions; and the tested and proved democratic principle of promotion on the basis of merit would be so violently abused as to leave the regular Federal employee with practically no incentive to demonstrate his capacity.

(3) It would result in a large turnover in employees at a time when the Board can ill-afford to lose trained personnel, many of whom are engaged in highly specialized work peculiar to the War Production Board. Rather than accept the salary cuts, many employees will seek other employment not only with other Federal agencies but with industry and the armed services. Recruiting for positions in civil agencies is becoming increasingly difficult and it would be almost impossible to replace many of our present employees without seriously impeding many of our most important activities.

(4) The provision would involve a breach of faith with many of the Board's employees. In recruiting employees for the War Production Board we have been governed by the laws relating to the civil service and the rules and regulations of the Civil Service Commission. Specifically, no position has been created for an individual. The procedure has been to establish positions, fix the grade and salary of each with the approval of the Civil Service Commission, and then recruit qualified personnel. Candidates for positions are subject to such tests of fitness as the Commission may apply in individual cases, and no appointment has been made to any position except with approval of the Civil Service Commission. Many of our employees made considerable sacrifices to join the staff of the War Production Board. Not a few of them have come considerable distances to the Capital and have been put to the expense of moving their families and household effects, so that even at increased rates of pay the net compensation in a good many cases is less during the first year than it would have been had the employees remained in their positions in other Federal agencies. It seems to me that it would be an outright breach of faith with such employees now to reduce their

compensation to the rates they were receiving before they transferred to the Board. There are other employees who, while they were employees of other Federal agencies, took civil-service examinations for higher classes of positions and as a result were certified to the Board by the Civil Service Commission for appointments. It is inconceivable that they, too, should be penalized while persons in private industry who took the same examinations, qualified, and were appointed, are permitted as employees of the Board to continue at their present rates of pay.

(5) It will be a physical impossibility to prepare pay rolls for the pay-roll period ended July 15, giving effect to the adjustments that would be necessary under this provision of the bill, without very seriously delaying the payment of salaries for this period. I am informed that it would be at least August 1 before salaries for the current pay-roll period could be paid.

Even if it is intended, and the provision can be so interpreted, that only persons recruited on and after July 1, 1942, will be affected, the elements of discrimination and complete negation of the principle of promotion on a merit basis would remain, as would also the problem of making salary adjustments, for those employees recruited since July 1, without delaying the payment of salaries.

Our recruiting problem is made more difficult by the fact that the War Production Board is a temporary agency and employees of other Federal agencies are reluctant to give up permanent positions in permanent agencies to accept war-service appointments with the Board. It is also well known that because of the exigencies of our service considerable overtime work is required, and we have found it necessary drastically to curtail vacation privileges. The War Production Board has little inducement to offer to any candidate for a position other than an appeal to his patriotism and sense of duty.

I regret that I must confess that the problems of recruiting for war agencies are so complex and solutions of them are bound to have such far-reaching results that I do not feel that I should offer any specific suggestion as to how section 205 might be amended to make it less objectionable. I respectfully suggest, however, that section 205 be removed from the bill and that its subject be made a matter for separate legislation.

Proviso on page 10, lines 12 to 24, inclusive, of the bill: This proviso reads as follows:

"Provided further, That the Division of Central Administrative Services shall provide for the constituent agencies of the Office for Emergency Management and the Office of Price Administration, in the District of Columbia and in the field, all fiscal, personnel, procurement, duplicating, distribution, communication, and other general office services, shall procure and allocate all space for such agencies in the field and shall establish uniform standards of use for office furniture and equipment and space, except where the Director of the Bureau of Budget, because of special circumstances, determines that any of such functions may be more economically performed by such agencies or by other existing Government agencies."

In accordance with section 6 of Executive Order No. 9024 I have established for the War Production Board the administrative organization which I have deemed necessary for the effective performance of the functions of the Board. Section 6 of Executive Order No. 9024 reads as follows:

"The Chairman is further authorized within the limits of such funds as may be allocated or appropriated to the Board to employ necessary personnel and make provision for necessary supplies, facilities, and services."

No effort has been spared to make this administrative organization as effective as

human ingenuity can achieve, and to keep it on an economical basis. Moreover, every precaution has been taken to insure that there will be no duplication of the activities of the Division of Central Administrative Services of the Office for Emergency Management nor any conflicts of policy.

The War Production Board's 1943 budget includes provision for departmental administrative services in line with my determination that it is less costly and more effective to have these services performed by our own administrative division. The budget provision for administrative services was approved by the President and does not duplicate or supplement any portion of the funds requested by other agencies of the Office for Emergency Management. It has been demonstrated to my satisfaction that overcentralization of general administrative services, or any lack of well-defined authority and responsibility with respect to them, can be a positive handicap in the carrying out of essential and important programs when time is a highly important factor. I believe that the general administrative services are, of necessity, an integral part of the operations of this agency and that all determinations with respect to them should be vested in the Chairman of the War Production Board.

It is respectfully requested that H. R. 7319, as reported by the Senate Committee on Appropriations be amended as follows:

(1) Page 10, line 12: Insert after the word "That", the phrase ", except as otherwise provided by this act,".

(2) Page 16, line 7: Delete the period at the end of the sentence and insert "": *Provided, further*, That this appropriation is available for such administrative services as the Chairman may deem necessary to the performance of his functions and duties as specified in Executive Order No. 9024, dated January 16, 1942, as supplemented by Executive orders dated January 24, 1942, and April 7, 1942, respectively."

President's policy: Time did not permit me to secure a statement of the President's policy with respect to these legislative provisions. As to the administrative services of the War Production Board, the President's policy appears to be clearly expressed in section 6 of Executive Order No. 9024, which I have quoted above.

I am addressing identical letters to Senator GLASS and Representatives CANNON and WOODRUM.

It is sincerely believed that the adoption of these suggestions is essential to the effective administration of our whole war production program, and I shall greatly appreciate your assistance in having the desired changes effected.

Sincerely,

DONALD M. NELSON,
Chairman.

Mr. McKELLAR. I shall not read it all, but I wish to say that the first three pages of the second letter are devoted to what I believe is a misconception upon the part of Mr. Nelson's counsel. He refers to an informal opinion of his counsel to the effect that this provision refers to persons already recruited from other departments, and that he would have to appoint them all over again, refix their salaries, and all that. That was not the purpose of the committee. The amendment was offered by the senior Senator from Wyoming [Mr. O'MAHONEY]. Since receiving Mr. Nelson's letter, I have called the full committee together. It met this morning, and Mr. Nelson's objections to this provision were looked

into. The senior Senator from Wyoming [Mr. O'MAHONEY] will offer an amendment to the amendment, as follows:

After the word "person", in the second line of the section, insert "hereafter", so that there cannot be any doubt as to the meaning, and so that the section will refer only to those persons hereafter recruited by his department or any other department.

I desire to give the reasons why that provision was proposed to be put into the bill. In the tremendous rush and confusion of the existing crisis the departments have been competing with one another for employees; and almost uniformly certain departments have bid more for the services of persons employed in other departments than they were receiving, and therefore the departments bidding more got them. As Mr. Nelson points out, a great many of his employees—I am not sure but that he stated a majority of his employees—were recruited from other offices. In the very nature of things that was true because capable and experienced employees were found in other departments of the Government.

The committee thought that the practice had reached such lengths that recruiting by paying increased salaries to persons already employed in other departments should be stopped. Two agencies should not compete with each other, bid for employees, and raise salaries in that way.

Mr. Nelson felt that the provision did not go far enough and should be stricken out altogether. The committee at its meeting this morning did not do that, but it authorized an amendment to the amendment which will be offered on the floor when the amendment comes up, providing that there shall be no interference with regular civil-service legal promotions after the employees have been moved or recruited from one office to another. I believe that such an amendment will be entirely satisfactory to Mr. Nelson. I hope so; because he called the attention of the committee to this matter for the purpose of having it straightened out. He was entirely mistaken about the first proposition that the employees he now has would have to be reemployed.

Mr. AIKEN. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. ROSIER in the chair). Does the Senator from Tennessee yield to the Senator from Vermont?

Mr. McKELLAR. I yield.

Mr. AIKEN. I should like to say to the Senator from Tennessee that the Civil Service Committee has had called to its attention some instances in which it has been found virtually impossible for a regular department of government to keep its help, particularly in the lower brackets. There are now pending on the calendar one or two bills which would correct that situation with regard to some departments.

I hold in my hand a list of the names and the former salaries of 77 employees of the Civilian Pilot Training Division of the Civil Aeronautics Administration, which I think is under the Department of Commerce. One of them left for reasons of health, but practically all of them left because they received higher pay by going to some other department.

Mr. McKELLAR. That is true.

Mr. AIKEN. Emergency organizations such as the War Production Board and the Office of Price Administration seem to be the principal offenders.

Mr. McKELLAR. Yes.

Mr. AIKEN. In this extremely important division of the Civil Aeronautics Administration, which is charged with the preliminary training of aviators for our Army and Navy, we find that, beginning, with the lowest grade, they have had 100-percent turn-over in grade CU-2. Let me say that all these figures are based on developments since December 7, 1941. They have had a 66-percent turn-over in grade CAF-1, 39 percent turn-over in CAF-2, 21 percent turn-over in CAF-3, 11 percent turn-over in CAF-4, 66 percent turn-over in CAF-5, 100 percent turn-over in CAF-6, 36 percent turn-over in grade P-4, 40 percent turn-over in P-5, and 100 percent turn-over in P-7.

In the P-7 classification there was only one employee, who was a supervisor. It seems virtually impossible for such an important division of government as the Civilian Pilot Training Division to perform its work properly so long as the emergency agencies steal all the employees in sight, particularly employees receiving from \$1,440 to \$1,560 a year.

Mr. McKELLAR. In almost every instance the salary is considerably increased.

Mr. AIKEN. Yes; that is true. The Civil Service Commission has practically ceased to function so far as employees of the emergency agencies are concerned.

Mr. McKELLAR. I think the Senator is correct. I hope he will ask that the list from which he has been reading be printed at this point in the RECORD. I think the Senate would like to have that done.

Mr. AIKEN. I am glad to ask unanimous consent that the list be printed at this point in the RECORD.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

Grade classification of employees who have resigned from civilian-pilot training since Dec. 7, 1941

	Number	Percent
P-7-----	1	100
P-5-----	3	40
P-4-----	3	36
CAF-6-----	1	100
CAF-5-----	2	66
CAF-4-----	8	11
CAF-3-----	15	21
CAF-2-----	40	39
CAF-1-----	2	66
CU-2-----	2	100
Total-----	77	

Civilian Pilot Training Division of Civil Aeronautics Authority—Resignations since Dec. 7, 1941

Name	Salary	Reason for resignation
Richard H. Alley.....	\$3,800	Higher paid position.
M. Bonita Austad.....	1,440	Do.
Salig L. Bendit.....	1,620	Do.
Viola A. Benthin.....	1,440	Do.
Robert Binkley.....	1,620	Military leave.
Aimee C. Brock.....	1,860	Higher paid position.
Vincent F. Burton.....	1,440	Military leave.
Mary Jane Calvert.....	1,440	Returned to school.
Mollie G. Caplan.....	1,440	Higher paid position.
L. Bryant Charlton.....	1,440	Military leave.
Harley Clapsaddle.....	4,600	Do.
Clarita A. Claussen.....	1,620	Higher paid position.
David J. Clayton.....	1,620	Do.
Marguerite A. Connolly.....	1,440	Do.
Joyce C. Coogler.....	1,800	Do.
Madelyn K. Cornwell.....	1,440	Do.
Eugene A. Crouse.....	1,050	Do.
Sarah M. Cuevas.....	1,800	Return to private industry.
Francis Joseph Curry.....	1,620	Higher paid position.
Marion A. Danoff.....	1,440	Do.
LaVerne C. Day.....	1,440	Do.
Ella May Deats.....	1,440	Do.
Grace H. Driver.....	1,440	Do.
Marylee F. Duncan.....	1,620	Do.
Margaret A. Ferrell.....	1,440	Do.
William Forman.....	1,080	Do.
F. Rachel Foster.....	1,620	Do.
Mary R. Fox.....	1,800	Do.
Rosemary Fuerst.....	1,440	Do.
Donald Dobbryn.....	4,600	Do.
Richard D. Gbler.....	1,440	Do.
Peter S. Guarino.....	1,440	Military leave.
Dorothy D. Hall.....	1,440	Higher paid position.
Mary E. Harris.....	1,440	Do.
Gertrude Hirsch.....	1,440	Do.
Violet Howell.....	1,440	Do.
William H. Jervey.....	1,800	Military leave.
Gertrude B. Kaufman.....	1,800	Higher paid position.
Vaunetta B. Kennedy.....	1,440	Do.
Hattie King.....	1,440	Do.
Paul T. Kobielus.....	1,440	Military leave.
Josephine Helen Leahy.....	1,440	Higher paid position.
Philip D. Lucas.....	3,800	Military leave.
Rose Mangolan.....	1,440	Higher paid position.
Mary Masanotti.....	1,440	Do.
Dorothy J. Metcalfe.....	1,440	Do.
L. Jeanne Milligan.....	1,620	Do.
Bruno A. Monkkonen.....	2,900	Military leave.
M. Eleanor Moore.....	1,440	Higher paid position.
Gene Morris.....	1,620	Military leave.
George J. Nagy.....	2,000	Higher paid position.
Elizabeth S. Nichols.....	1,440	Do.
Charles Lienesch.....	4,600	Do.
Frank McKlveen.....	3,800	Do.
Bill B. Noe.....	1,080	Do.
Helen M. O'Day.....	1,620	Do.
Virginia E. Parks.....	1,440	Do.
Eleanor M. Polis.....	1,620	Physician advised change.
Laureston R. Porter.....	2,000	Higher paid position.
Philippa Z. Price.....	1,800	Do.
Helen M. Przeradzki.....	1,440	Do.
Helen B. Schontag.....	1,440	Do.
Peter M. Shields.....	1,080	Military leave.
Claire C. Shortall.....	1,800	Higher paid position.
Helen L. Silver.....	1,620	Do.
Dorothy E. Simpson.....	1,440	Do.
Estelle H. Steinacker.....	1,440	Do.
Barbara Stephens.....	1,440	Do.
Martha E. Szeszeny.....	1,440	Do.
Walter J. Szychulski.....	1,620	Military leave.
Evelyn L. Tillotson.....	1,440	Transferred to region III.
Petty E. Verville.....	1,440	Higher paid position.
Harold H. Wakehouse.....	1,440	Military leave.
Helen C. Werd.....	1,800	Higher paid position.
Grove Webster.....	6,500	Do.
Tillie M. Whittle.....	1,440	Do.
Eloise K. Youngblood.....	1,440	Do.
Regina Young.....	1,620	Do.
Total 77.....		

Mr. McKELLAR. Mr. President, I think that all Senators who are familiar with the situation, as I know that all of them are, must come to the conclusion that some step must be taken to prevent competition between various agencies, departments, and bureaus of the Government in the matter of obtaining employees; but I do not think we should interfere with rational, regular promo-

tions provided by law. The committee will have an amendment to that effect.

Mr. DANAHER and Mr. AIKEN addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Tennessee yield, and if so, to whom?

Mr. McKELLAR. I believe the Senator from Connecticut first addressed the Chair.

Mr. AIKEN. Yes; but if he will defer to me, I should like to make one statement. The procedure seems to be for the emergency agencies to send the names of their employees to the Civil Service Commission with the request that they be certified and classified within 24 hours. They are then reclassified.

Mr. McKELLAR. Yes; they are classified so as to give them better salaries.

Mr. NORRIS. That is an impossibility; is it not?

Mr. AIKEN. It is absolutely impossible for the Civil Service Commission to perform in such a short time the functions devolving upon it. If the Commission does not classify the employees within 24 hours it is called down for not doing so, and is accused of hindering the war effort.

Mr. McKELLAR. I am not familiar with that phase of the situation, but I am glad the Senator has given us the information.

Mr. NORRIS rose.

Mr. McKELLAR. I yield to the Senator from Connecticut.

Mr. DANAHER. I am happy to defer to the Senator from Nebraska, with the permission of the Senator from Tennessee.

Mr. McKELLAR. Very well; I yield to the Senator from Nebraska.

Mr. NORRIS. Mr. President, I desired to have the Senator explain the means used by emergency bureaus in order to get in touch with the employees of other bureaus. Do they have a system of some kind by which they find out about them?

Mr. McKELLAR. They have practically unlimited amounts of money, as the Senator knows. They have a lump sum; and they offer the best inducement that can be offered, which is an increase in salary.

Mr. NORRIS. Do they make public announcements?

Mr. McKELLAR. They do not make public announcements, but they get the employees when they want them. They find out what employee has the qualifications they require, and they merely go out and get him.

Mr. NORRIS. If they were looking for a person with peculiar qualifications, I should think it would be necessary to have someone make an investigation and have such a person apply.

Mr. McKELLAR. Oh, yes; I presume such investigations are made; but just what is done was not brought out in the testimony before the committee.

Mr. NORRIS. There must be some organization to bring about that result. I should not think that such a thing would be allowed.

Mr. McKELLAR. I should not think so, either. However, not only has it been

allowed but, as shown by the figures submitted, one of the bureaus has lost 100 percent of its employees in a certain classification, 66 percent in another, 100 percent in another, and so on.

Mr. NORRIS. So the practice has become a racket.

Mr. McKELLAR. Yes; almost a racket. The committee was unanimously of the opinion that it should be stopped hereafter. We cannot very well undo what has already been done. To attempt to do so by making the provision retroactive would lead to great confusion. Therefore it is not the purpose of the committee and, I am sure, not the purpose of the Senate, to make the provision retroactive; but we propose to stop the practice from now on.

Mr. AIKEN rose.

Mr. McKELLAR. I yield first to the Senator from Connecticut, and next shall yield to the Senator from Vermont.

Mr. DANAHER. Mr. President, in his last 2 minutes of discussion the Senator from Tennessee has partially answered much of the question which was in my mind with reference to section 205. The part to which I refer appears on page 46. I had previously marked my own copy of the bill with the view of asking the committee to consider inserting the word "henceforth" in line 15, after the word "person", so that the language would read:

Sec. 205. No part of the funds appropriated in this Act shall be expended to pay the salary of any person henceforth recruited from any other Government department or agency.

Mr. McKELLAR. The committee has already authorized the offering of an amendment which would make the language read:

The salary of any person hereafter recruited from any other Government department—

And so forth. I think such an amendment would have the same effect as the insertion of the word "henceforth."

Mr. DANAHER. I have no doubt of it. As I understand, the amendment to which the Senator from Tennessee refers is one which has been acted upon since the bill was printed; is that correct?

Mr. McKELLAR. Yes; the amendment was acted upon this morning in the committee. Mr. Nelson had appeared before the committee and had made a very elaborate argument about many things concerning the appropriation for his office as contained in this bill. Then, he wrote this rather long letter which, I felt, justified me, as acting chairman of the committee, in calling the full committee together this morning. I did so, and the committee took the action indicated—to insert after the word "person" the words "hereafter recruited," so that there cannot be any question about those they already have. It was impossible to go back and make it retroactive.

Mr. NORRIS. Mr. President, I should like to call the attention of the Senate to the fact that the amendment will apply only to the money appropriated by this bill.

Mr. McKELLAR. That is true.

Mr. NORRIS. If this evil exists, as the Senator says, it ought to be corrected by permanent law.

Mr. McKELLAR. It should be, by all means, but the Senator can well understand that, if there is such a patent and manifest evil, we can, in connection with the funds in this bill, provide a limitation which will take care of the immediate situation.

Mr. NORRIS. Yes; and such a provision could go on every appropriation bill, but that is not the practical way to meet the difficulty.

Mr. McKELLAR. The Senator is entirely correct; the situation should be taken care of by general law.

Mr. AIKEN. Mr. President, I simply want to add to what I said previously, that this matter of the Civilian Pilot Training Division is not by any means the only one that has been called to my attention. I have had reports as to other divisions of the Government losing anywhere from one-third to two-thirds of their entire personnel. I requested the Civilian Pilot Training Division to furnish me a list of their employees who had resigned since the 7th of December, and the list of 77, representing perhaps 30 or 40 percent of their entire personnel, was furnished me.

Mr. McKELLAR. Is that the list the Senator has put in the Record?

Mr. AIKEN. It is.

Mr. McKELLAR. Did that list come from the Bureau of Aeronautics itself?

Mr. AIKEN. I requested the Civilian Pilots Division to give me this list containing the names and salaries and reasons for leaving the service.

Mr. McKELLAR. I think that will be very helpful, and I am glad the Senator has put it in the Record.

Mr. AIKEN. I presume they could have saved some of these employees they needed very badly if they could have obtained somewhat more rapid results in their own personnel classification division of the Department of Commerce in this case. Sometimes the fault may lie with the personnel classification division of the Department. I do not know exactly as to that.

Mr. McKELLAR. Mr. President, I think that concludes, so far as I know, the important features of the bill, except for the amendments which will come up in due course. I now ask that the clerk proceed to state the amendments reported by the committee.

The PRESIDING OFFICER. The clerk will proceed to state the amendments of the Committee on Appropriations.

The first amendment of the Committee on Appropriations was, under the heading "Title I—General Appropriations," on page 2, after line 2, to insert:

LEGISLATIVE
SENATE

For an amount required to increase the salaries of three laborers in the Office of the Secretary from \$1,330 to \$1,440 each, fiscal year 1943, \$180, effective July 1, 1942.

The amendment was agreed to.

The next amendment was, under the heading "Executive Office of the President—Office for Emergency Management," on page 10, line 4, after the word

"appropriation", to strike out "Provided further, That the constituent agencies (except the War Shipping Administration) of the Office for Emergency Management and the Office of Price Administration shall not establish, in the District of Columbia or in the field, fiscal, personnel, procurement, space allocation or procurement, duplicating, distribution, communication, or other general services, wherever the Director of the Bureau of the Budget determines that the Division of Central Administrative Services can render any such service" and insert "Provided further, That the Division of Central Administrative Services shall provide for the constituent agencies of the Office for Emergency Management and the Office of Price Administration, in the District of Columbia and in the field, all fiscal, personnel, procurement, duplicating, distribution, communication, and other general office services, shall procure and allocate all space for such agencies in the field and shall establish uniform standards of use for office furniture and equipment and space, except where the Director of the Bureau of the Budget, because of special circumstances determines that any of such functions may be more economically performed by such agencies or by other existing Government agencies."

The amendment was agreed to.

Mr. McKELLAR. Mr. President, I understand the Senator from New Mexico [Mr. HATCH] desires to address the Senate on another subject, and I am glad to yield to him.

THE FUEL OIL AND GASOLINE SHORTAGE

Mr. HATCH. Mr. President, some time ago, I spoke on the floor of the Senate touching hurriedly upon some conditions existing in the oil industry. Today, I desire to present some additional facts concerning other phases of that same subject.

At the present time, much is being said about the serious condition along the Atlantic coast as to insufficient fuel oil. Lack of sufficient quantities of heating oils for homes in New England during the approaching winter is a matter of deep concern to every Government official and private person interested in the welfare of all our people, no matter in what section of the country they happen to reside. I come from the Southwest, where we have an abundance of oil, but I can assure the people of the East that we also are concerned with their lack of that product which they so greatly need. It goes without saying that it is not only the personal welfare and comfort of the citizens of the North Atlantic coast that is involved in this grave shortage of fuel oil, but our entire war program is deeply affected by it. This is not a remote possibility. The whole situation is so vital that every means of remedying conditions in the production and distribution of that essential war commodity, petroleum, should be considered. The time to remedy existing conditions is short, for winter begins in Maine some time in the month of September and, before we know it, the cold winter winds will be sweeping along the entire North Atlantic coast.

As I am informed, briefly, the situation on the East coast today is that there exists a shortage of from 400,000 to 500,000 barrels a day in the minimum requirements estimated for the balance of 1942. Generally, we understand that this shortage was brought about principally at first by the gradual withdrawal, and finally by the almost complete loss, of the cheap tanker method of transporting oil from ports on the Gulf of Mexico to the Atlantic seaboard. Normally, more than 90 percent of the East coast petroleum supply was moved by tanker ships. In response to Government requests, and from the very necessity of the situation, for several months these supplies have been carried by a much more expensive method, that is, in railroad tank cars.

Many efforts have been made to relieve the east coast shortage. Maximum use of railroad tank cars has been requested. The carrying capacity of such cars has been increased from the normal figure of 100,000 barrels a day to almost 800,000 barrels a day. The efficiency of existing pipe lines themselves has been stepped up considerably. The flow of petroleum products in such lines has been reversed to get crude oil to east coast refining areas instead of shipping products already refined to the Midwest. Existing lines have also been extended.

We are all aware of the order of the Office of Price Administration granting a two and a half cent per gallon increase in the price of gasoline and 2 cents per gallon for light heating oils. The War Production Board has approved priorities on steel for the crude oil pipe line from Longview, Tex., to Salem, Ill., with a capacity of 300,000 barrels a day, which is expected to be in operation December 1, 1942. Until it is possible to extend this line from Salem to the east coast, the portion of this oil which will reach that area must be carried by other existing means of transportation. The Senate Commerce Committee has approved the Florida barge line canal and pipe line which will complete the inland waterway system from Trenton, N. J., to the Mexican border of Texas. The House had previously passed this measure. Senate action will be had shortly. Every effort has been made to stimulate the conversion of oil-burning equipment for the use of coal. Members of the petroleum industry have actually sent communications to their fuel-oil customers urging such conversion, which means sending business to their competitors—wholesale and retail coal dealers. Maj. J. R. Parten, Director of Transportation of the Office of Petroleum Coordinator, testified before the Senate Commerce Committee and said, in effect, that convoys of tankers will be necessary in order to get petroleum into New England points this winter in sufficient quantities to prevent suffering and general industrial chaos.

Public attention has been focused on gasoline rationing as a central point in the oil shortage situation, restrictions on the consumption of oil started a little more than a year ago. Last summer the Senate "oil shortage" committee pointed out that the shortage was one of transportation rather than of supply of petroleum, and spurred both the oil com-

Petroleum Industry War Council third progress report to the President (covering period June 15-27, 1942, except where noted)—Continued

State	Population (1940 census)	Petroleum industry collections of scrap rubber (inventory as of July 3, 1942)		Per capita, pounds
		Tons	Pounds	
Hawaii.....	433,000	1,964	1,923,000	14.45
Total.....	131,991,000	332,093	664,186,000	5.03
Additional States ¹		2,200	4,400,000	
Grand total.....		334,293	668,586,000	5.07

¹ Covers period June 15 to July 2 only. Estimated total collections for these 6 States for July 3 is 2,200 tons additional.

NOTE.—From the comments of our district general chairmen, the conclusion is drawn that the reported figures cover largely only collection actually in-hand at oil company bulk storage plants, and that there are many tons more at filling stations all over the country which have not yet been moved to bulk plants and which remain unreported.

Again, the figures which I report do not contain those for rubber in the hands of the estimated 20,000 buyers of junk. Neither do they contain figures of local stock piles collected and yet unreported by various local salvage agencies and organizations which have engaged in the collection of rubber during the progress of your special drive.

Mr. CONNALLY. At this time I should like to express to the country at large the hope that everyone who can in any wise make a contribution either by the sale of his scrap rubber at the nominal price offered, or as gifts, will hasten to do so in order that the program may be carried to a successful conclusion.

Mr. THOMAS of Oklahoma, Mr. REED, and Mr. BARKLEY addressed the Chair.

The PRESIDING OFFICER (Mr. CHAVEZ in the chair). Does the Senator from Texas yield and, if so, to whom?

Mr. CONNALLY. I yield first to the Senator from Oklahoma.

Mr. THOMAS of Oklahoma. Mr. President, does not the Senator think that the program for the acquisition of scrap rubber should be continued on a different basis? At present, only a cent a pound is paid for scrap rubber. Testimony was given before one committee that reclaimed rubber is about 90 percent as efficient as raw rubber for a great many commodities. Raw rubber has been costing about 20 cents a pound. Does not the Senator think that the program should be extended on the basis of paying for scrap rubber 5 or 6 cents a pound, let us say, in order that there might be some little incentive for persons who are not employed to make a diligent search in an effort to get all the rubber possible to be obtained for the war effort and for civilian use?

Mr. CONNALLY. It certainly is my view that the program should be continued so long as there is any possibility of obtaining additional rubber. On the other hand, we have found a little difficulty, because someone evidently has in mind paying 5 or 10 cents a pound for the actual rubber content. A tire weighing many pounds may be turned in, and yet the rubber content of the tire may be found to be a relatively small proportion of the tire.

So I do not know whether it is practical. If it is practical, I certainly favor it, because the present price is merely nominal; there is scarcely any consideration whatever; only a cent a pound, as I recall.

Mr. THOMAS of Oklahoma. Mr. President, will the Senator yield further?

Mr. CONNALLY. I yield.

Mr. THOMAS of Oklahoma. The testimony before one of the committees is that there are about 12 pounds of rubber in a tire for an average-size car. The tire does not weigh very much more than that; the cotton in the tire does not weigh very much; so that, from 85 to 90 percent of the weight of the tire is in the rubber, and the remainder is in the cotton which goes to make up the other part of the tire.

Mr. BARKLEY. Mr. President, if the Senator will yield there, I should like to say that the Committee on Banking and Currency has been going into the matter of scrap rubber at some length. The testimony before that committee indicates that about 80 percent, perhaps 85 percent, of each tire turned in is recoverable in rubber. Of course, it has to be stripped, as it is called, of the cotton that goes into it on the inside, but all the outside of the tire and the walls are rubber, that is, rubber composition, for there is some extraneous substance worked into the rubber. It depends somewhat on the length of time the tire has been used and the extent to which the tread has been worn off, but, with all that taken into consideration, the testimony shows that there is about 80 percent recoverable rubber in each tire. The total amount will depend upon the amount of scrap rubber recovered. It looks now as if about 400,000 tons will be recovered in the drive for scrap rubber, and 80 percent of that will be about 320,000 tons of rubber which will be recoverable under that program.

Mr. CONNALLY. I thank the Senator.

Mr. ELLENDER. Mr. President—

Mr. CONNALLY. I will yield to the Senator in a moment.

Let me say to the Senator from Kentucky that I think his remarks are quite to the point.

I desire to answer the Senator from Oklahoma in a general way. I certainly would favor the continuance of the program through the payment of compensation comparable with what the real value of the rubber may be. The experts would have to determine that question. The need for rubber is so urgent, however, and we are making such frantic efforts to produce synthetic rubber, that we ought to reclaim and secure all the real, native rubber possible, because it is necessary in order to obtain the best possible results to have the native rubber, as I understand, to mix in certain proportions with synthetic rubber. Is not that true?

Mr. BARKLEY. Yes; I think that is an accurate statement, although tires are now being tested made exclusively of synthetic rubber. In one instance they have gone 6,000 miles without any break, while in another instance, when

a test was made, they ran only about 1,100 miles until they broke down. So the different formulas and processes for making synthetic rubber are being tested so as to get the very best quality that is possible.

Mr. CONNALLY. I will say to the Senator, in that connection, that there are two classes, as I understand, of rubber. In the case of one, it is contended that a fairly good tire can be made, provided it is not run at exceeding 30 miles an hour; if it is run over 30 miles an hour, it will not stand up. Then, there is a much higher-priced rubber, of a quality that has been reprocessed, and which can stand and is standing the test as to use.

Mr. BARKLEY. That is true.

Mr. CONNALLY. I thank the Senator.

RECEPTION TO HIS EXCELLENCY HUBERT PIERLOT, PRIME MINISTER OF BELGIUM

Mr. BARKLEY. Mr. President, I desire to call the attention of the Senate to the fact that there is now present in the Chamber His Excellency Hubert Pierlot, the Premier of Belgium, a nation whose people are among the most heroic in the world and who are now suffering as the victims of Nazi domination and brutality. He is a member of the Belgian Senate as well as Prime Minister of Belgium.

I ask unanimous consent that the Senate stand in recess for 10 minutes so to enable Members of the Senate to greet and shake hands with the Prime Minister of Belgium and welcome him to the Senate Chamber. [Applause.]

The PRESIDING OFFICER. Is there objection?

There being no objection, the Senate (at 3 o'clock and 5 minutes p. m.) stood in recess for 10 minutes.

The Senate being in recess,

His Excellency Hubert Pierlot, Prime Minister of Belgium, was escorted to the area in front of the Vice President's desk, and was greeted by Members of the Senate who were introduced to him by Mr. BARKLEY.

At the expiration of the recess the Senate reassembled.

ADDITIONAL COPIES OF THE TAX BILL

The PRESIDING OFFICER laid before the Senate House Concurrent Resolution 74, which was read, as follows:

Resolved by the House of Representatives (the Senate concurring), That there shall be printed 9,000 additional copies of the bill (H. R. 7378) to provide revenue, and for other purposes, together with the report (H. Rept. No. 2333) thereon, of which 5,000 copies shall be for the use of the House document room, 500 copies for the use of the Senate document room, 3,000 copies for the use of the Committee on Ways and Means of the House of Representatives, and 500 copies for the use of the Committee on Finance of the Senate.

Mr. HAYDEN. I move that the Senate concur in the House concurrent resolution.

There being no objection, the concurrent resolution was considered and agreed to.

THE RUBBER SHORTAGE

Mr. ELLENDER. Mr. President, before the Senate took a recess the senior Senator from Texas [Mr. CONNALLY] was discussing the rubber situation, and I intended to call to the attention of the Senate a press-release given out yesterday by Hon. Jesse Jones, in which it is stated:

Jesse Jones, Secretary of Commerce, today announced that Rubber Reserve Company, on June 13, contracted with A. Schulman, Inc., 790 East Tallmadge Avenue, Akron, Ohio; H. Muehlstein & Co., 122 E. Forty-second Street, New York, N. Y.; Nat E. Berzen, Inc., 551 Fifth Avenue, New York, N. Y.; and Loewenthal Co., 188 W. Randolph Street, Chicago, Ill., to act as its agents in buying scrap rubber throughout the United States.

As a result of these contracts these companies are no longer in the scrap-rubber business for their own account. They cannot buy, sell, or deal in scrap rubber except for the account of Rubber Reserve Company. All four of the companies agreed to render this service to Rubber Reserve Company without profit, but will be reimbursed for their actual costs and expense.

These four companies ordinarily buy and sell approximately 80 percent of all the scrap rubber in the country. They have nationwide organizations and can handle all the scrap that will be bought by Rubber Reserve Company.

I ask Senators to note this statement:

Other scrap dealers may sell scrap rubber to Rubber Reserve Company through any one of these four companies at \$25 per ton, carload lots, f. o. b. point of shipment, and 6 cents a pound for tubes. Junk dealers have on hand a small amount of beadless tires for which Rubber Reserve Company will pay \$31.50 per ton until July 15, and \$3.50 per ton for the beads.

The four companies have bought for account of Rubber Reserve Company 103,400 tons of scrap rubber. They began buying scrap from other scrap dealers for account of Rubber Reserve Company immediately after announcement of the \$25 per ton price, and these purchases are entirely independent of and in addition to the rubber gathered by the oil companies in the scrap-rubber drive authorized by the President.

I am very glad to note that much interest is again being shown in gathering scrap rubber, but I do not like the idea of having all purchases in the hands of the four companies referred to. There are many other concerns that would do the job for actual cost. These concerns are no doubt doing business at a loss at this time and it will be of considerable help to them to maintain their connections and business on condition that the Government pay their actual cost of handling. It is not my purpose at this time to touch on some of the matters which were discussed in executive session this morning before the Committee on Banking and Currency with respect to the rubber situation, but I do wish to state that I learned that these four rubber scrap concerns are not only going to handle the scrap rubber hereafter gathered, as they did before the present drive, but will also handle at some additional cost to the Government all of the rubber which many patriotic Americans, the independent tire dealers, the independent oil companies, and the independent distributors, gathered throughout the country. My information is that these

four concerns will be paid their costs to handle such rubber. I hope that is not true and that not one penny will be paid to them for handling such rubber. The Government must pay all the freight and the drayage charges, plus \$25 per ton to those now in possession of it, and it would at least be more patriotic to permit those now in charge of the rubber to deliver it to the Rubber Reserve Company at such places as may be decided upon.

The Small Business Committee has pending before the Committee on Banking and Currency a bill which I hope will be reported out soon. The bill provides among other things for the appointment of an administrator to handle the scrap rubber situation with a view of obtaining rubber for recapping and retreading 30,000,000 tires. According to testimony presented to the Committee on Banking and Currency, the number of tires thus made available will keep rolling 20,000,000 cars, all of which are essential for our economy. The Small Business Committee is not desirous of utilizing one ounce of rubber that is necessary for our war effort. As I see the picture, it is absolutely necessary for us to provide some method of preserving the supply of tires for the 20,000,000 cars to which I have referred because if we cannot preserve a sufficient number of tires to keep in operation as many as 20,000,000 cars, to transport workers from their homes to the various industrial plants, it will be necessary for the Government in some way to provide the necessary transportation. I know of no better and no quicker way to meet the emergency confronting us than for the Congress to pass the bill which was presented by me and other members of the Small Business Committee a few weeks ago. I again express the hope that the bill will be before the Senate some time this week.

FIRST SUPPLEMENTAL NATIONAL DEFENSE APPROPRIATIONS

The Senate resumed the consideration of the bill (H. R. 7319) making supplemental appropriations for the national defense for the fiscal year ending June 30, 1943, and for other purposes.

Mr. REED. Mr. President, the debate on the bill before the Senate has, somehow or other, left the impression that Mr. Leon Henderson is being persecuted; that, somehow or other, we are picking on him. I believe that is a wrong impression. Mr. Henderson occupies an important position, the very duties of which are highly controversial and relate to controversial subjects. Mr. Henderson is of a temperament which invites disputes and contentions. Therefore the tempestuous career which he is experiencing is not unexpected. I wish to say that I do not know of anyone occupying so difficult a position in the Government service as Leon Henderson occupies, or one who has received as much defense on the floor of the Senate, and concerning whose work we have heard so many kind words. It is true that he has been criticized. He is being criticized and he will continue to receive criticism. That is partly my reason for taking the floor for a few minutes, because there has come to my desk an editorial from one of the best

known newspaper publishers in Kansas, in which there is discussed rather humorously the visit of three O. P. A. field inspectors to Hutchinson, Kans. In the Hutchinson News of July 9, 1942, there appeared an editorial written by Mr. John P. Harris, one of the very well-known newspapermen of Kansas. The editorial reads as follows:

Three gumshoe agents of the Office of Price Administration were in Hutchinson yesterday. Their purpose, I surmise, was a friendly one. Their object was to survey informally local compliances with price-celling regulations and to straighten out any errors arising from misunderstanding of the complicated rules.

There was no more reason for secrecy concerning the visit of these three gentlemen than there would be over the regular monthly call of a cloak and suit salesman. Revelation of their work would be of neither comfort nor interest to the enemy. Their mission was no more directly connected with the war effort than the activities of a Work Projects Administration comfort station crew.

Yet the gentlemen from the Office of Price Administration refused to reveal their names, parried all efforts of reporters to ascertain the routine details of their business, and in general conducted themselves as though they were the sole custodians of the detailed plans for opening the second war front.

Such a trivial incident as this wouldn't be worth note had it not become all too typical of the attitude and activities of the field men of so many Federal agencies today. As it is, it is giving working press, working people, regulated business, and the rationed public a sharp pain in some place other than their collective neck.

Mr. President, I wish to add only that what Mr. Harris writes is true. We have so many alphabetical agencies, with a myriad of agents running around over the country, that probably the note which comes oftenest to me, whether by way of correspondence or by direct expression from the people of Kansas, is that of irritation at the number of Government agents with whom the businessmen, newspaper owners, wholesalers, and retailers have to deal. It irritates them more than anything else. If Mr. Henderson wanted to do the O. P. A. a great service, he could do it by removing this sort of irritation, by having his agents in the field deal more reasonably with those with whom they come in contact and with lesser assumption of perfection on the part of the bureaucrats.

Mr. McKELLAR. Mr. President, I believe the Senate is ready to continue to consider the committee amendments.

Mr. McNARY. Mr. President, before the committee amendments are taken up I wish to make inquiry concerning a House provision which has been confirmed by the Senate committee. On page 13, in line 24, I find this language:

PAR. 8. National War Labor Board: For the National War Labor Board, \$1,167,000, including salaries at not to exceed \$10,000 per annum each for the four public members of the Board; actual transportation and other necessary expenses, and not to exceed \$25 per diem in lieu of subsistence (whether or not in a travel status) of members, alternate members, and associate members of the Board while serving as such without other compensation from the United States.

Is it the intention of the Senator in charge of the measure that members of the National War Labor Board shall be

paid \$10,000 a year and then be paid \$25 a day for subsistence?

Mr. McKELLAR. The provision for \$25 per diem in lieu of subsistence does not apply to members of the Board who do not serve as such without other compensation from the United States. It applies to members, alternate members, and associate members of the Board "while serving as such without other compensation from the United States."

Mr. McNARY. I had assumed that the able Senator did not intend to pay the members of the Board \$10,000 a year and \$25 per diem.

Mr. McKELLAR. Oh, no.

Mr. McNARY. But the language is susceptible of that interpretation.

Mr. McKELLAR. If it is, it ought to be amended so as not to be susceptible of such an interpretation. That is the House language.

Mr. McNARY. Yes; I appreciate that. I am not offering any criticism directed at the Senator.

Mr. McKELLAR. I know that.

Mr. HAYDEN. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. HAYDEN. I remember that I made particular inquiry in regard to that matter when it was before the committee.

Mr. McKELLAR. Yes; we discussed it.

Mr. HAYDEN. We were advised that there are members of the board, the panel, and then there are alternate members; that it was not expected or possible for the additional members, aside from the paid members at all times to attend meetings and for that reason attendance was placed upon a per diem basis, but the provision applies merely to those members of the board who serve only from time to time.

Mr. McKELLAR. In order to make it be certain, the language could be corrected, and I shall move to strike out the word "members" in line 4 on page 14. Would that not meet the suggestion of the Senator from Oregon?

Mr. McNARY. I think so.

Mr. McKELLAR. Mr. President, I move to strike out the word "members" in line 4 on page 14.

Mr. HAYDEN. Mr. President, before the Senator makes that motion I should like to make a suggestion. First, there are the paid members who represent the public. The members representing the public receive \$10,000 a year each.

Mr. McNARY. How many are there?

Mr. HAYDEN. Four. Then the members who represent labor and the members who represent industry serve from time to time, and when they cannot be present their alternates serve. If the word "members" should be stricken out it would result in eliminating provision for the pay of those who represent labor and of those who represent industry.

Mr. McNARY. Mr. President, I have no intention to do injustice to anyone.

Mr. HAYDEN. I wonder if the insertion of the word "other" would not make the language clear?

Mr. McKELLAR. Perhaps that would make it clear.

Mr. McNARY. That would be satisfactory.

Mr. McKELLAR. Mr. President, I move to insert the word "other" before the word "members", in line 4, on page 14. That will certainly take care of the situation. If the language is improper in any way it can be ironed out in conference.

The PRESIDING OFFICER. The question is on agreeing to the amendment proposed by the Senator from Tennessee [Mr. McKELLAR].

The amendment was agreed to.

Mr. McNARY. Mr. President, along somewhat the same line of discussion, I wish to call to the attention of the able Senator from Tennessee the fact that on the page to which I have just referred, page 14, provision is made for \$25 per diem in lieu of subsistence for persons connected with the National War Labor Board. On page 19 we find that provision is made for \$25 per diem in lieu of subsistence for persons connected with the War Shipping Administration. On page 31 we find a provision for \$10 per diem in lieu of subsistence for persons serving in an advisory capacity to the Petroleum Coordinator for War. On page 32 we find a provision for \$10 per diem for persons connected with the Office of Solid Fuels Coordination.

Mr. President, what I am curious to know is why the Senator distinguishes between men doing the same general type of work, and paying some \$25 per diem and paying other public servants \$10 per diem?

Mr. McKELLAR. Mr. President, as I recall—and I will have to refer to the hearings for accuracy—the ones who receive \$25 per diem are those who are called in to serve in an advisory capacity, and that is all the salary they receive. Members of boards who receive \$10 a day receive that amount when they are away and are necessarily put to additional expense, but in addition to that they receive a salary.

Mr. McNARY. No, Mr. President; the persons referred to on page 32, line 22, under the Office of Solid Fuels Coordination, receive \$10 per diem and \$1 per annum for salary. They are the dollar-a-year men. The other persons to whom I referred in certain other branches of the Government are also the so-called dollar-a-year men, but they receive \$25 a day for subsistence. Persons in the Office of Solid Fuels Coordination, as well as persons in the Office of Petroleum Coordinator for War, receive only \$10 per diem. They all receive a dollar a year. Why is one dollar-a-year man in one branch of the Government worth \$25 a day for subsistence when another is entitled to subsistence of only \$10 a day?

Mr. HAYDEN. Mr. President, would it not occur to the Senator from Oregon that there might be a difference in the type and responsibility of the two officers?

Mr. McNARY. Does it occur to the Senator that there is such a difference?

Mr. HAYDEN. Yes.

Mr. McNARY. There is?

Mr. HAYDEN. There is a difference between those in one branch of the service and those in another.

Mr. McNARY. How can that be?

Mr. HAYDEN. Ten dollars is the usual amount which has been carried in

appropriation measures heretofore. But now a board is created, and we ask a great industrialist to leave his business or we ask the head of a great labor union to leave his business to come here and serve on that board. He is paid more because he occupies a more responsible position.

Mr. McNARY. Let us see. One who comes here and patriotically, voluntarily, and uncomplainingly gives up his time to the Government, and serves in the War Labor Board, or in the Maritime Commission, receives a dollar-a-year salary and \$25 per diem. On the other hand, one representing a great oil interest who comes here to serve with the Petroleum Coordinator, who gives up his time, who is just as patriotic, whose behavior is just as good, is given \$10 per diem for his subsistence. Is there any difference between the two types of men? Is not the man who represents the oil production of the country as good a man as the man who represents the Maritime Commission or the War Shipping Administration?

Mr. HAYDEN. If the Senator believes that, he can very easily move to increase the amounts by \$15 a day.

Mr. McNARY. I am not on the committee. I am not writing the bill. I am not criticizing merely for fun. I want to know the reason for these things.

Mr. McKELLAR. Mr. President, these differences are to be found in the Executive orders which created the various Boards. The provisions were put into the bill by the House. The Senate committee had no evidence on these items. The bill is going over until tomorrow. We shall obtain the information. Very frankly, I do not now have the information. I know that the amounts were set up in the special Executive orders issued by the President. They will be examined into, and we shall have the information tomorrow.

Mr. McNARY. That is very fair. I like that spirit. I only call attention to these matters as I glance through the bill hurriedly. It seems to me that American citizens who are doing practically the same kind of work, and giving up their businesses, should be treated alike. That is the only point.

Mr. McKELLAR. I think the Senator is entirely correct. We shall obtain the facts and have them ready tomorrow.

The PRESIDING OFFICER. The clerk will state the next amendment reported by the committee.

The next amendment was, on page 11, line 2, after the figures "\$7,447,075", to insert a colon and the following proviso: "Provided, That no part of this appropriation shall be available to pay the salary of any person at the rate of \$4,500 per annum or more unless such person shall have been appointed by the President, by and with the advice and consent of the Senate."

Mr. McKELLAR. Mr. President, under the agreement with the Senator from Kentucky [Mr. BARKLEY], that amendment will go over.

Mr. DANAHER. Mr. President, it was my thought to suggest a possible modification of the amendment. It was my idea that if we should insert the word

"hereafter" in line 3, after the word "shall," we could then achieve the greatest possible prospective value for the language suggested by the committee.

Mr. McKELLAR. The Senator from Kentucky wishes to have the amendment go over until tomorrow.

Mr. DANAHER. Very well. I should like very much to give the Senator notice of my idea in that particular, so that we may all consider it.

Mr. BARKLEY. I appreciate the Senator's suggestion.

The PRESIDING OFFICER. The amendment will be passed over. The next committee amendment will be stated.

The next amendment was, on page 11, line 9, after the word "affairs", to strike out "\$28,638,000" and insert "\$28,660,500."

The amendment was agreed to.

The next amendment was, on page 15, line 10, after the word "transfer", to insert "with the approval of the head of the agency involved."

The amendment was agreed to.

The next amendment was, on page 17, line 24, after the word "inclusive", to strike out "\$268,863,890" and insert "\$270,704,390."

The amendment was agreed to.

The next amendment was, on page 18, after line 16, to strike out:

(b) The head of any of the constituent agencies may delegate to any other official in such agency the authority to make appointments of personnel and to make other administrative determinations necessary for the conduct of the business in such agency.

The amendment was agreed to.

The next amendment was, on page 18, line 22, before the word "Any", to strike out "(c)" and insert "(b)."

The amendment was agreed to.

The next amendment was, under the subhead "Office of Price Administration", on page 21, line 18, after the word "news-papers", to strike out "press clippings."

The amendment was agreed to.

The next amendment was, on page 22, line 7, before the words "of which", to strike out "\$75,000,000" and insert "\$120,000,000"; and on page 22, line 18, after the words "appropriation of", to strike out "\$75,000,000" and insert "\$120,000,000."

Mr. McKELLAR. Mr. President, this is another of the amendments which the Senator from Kentucky wishes to have passed over. I have agreed with him that it may go over until tomorrow.

The PRESIDING OFFICER. The amendment will be passed over.

The next amendment was, on page 23, line 8, after the word "required", to insert "or requested."

The amendment was agreed to.

The next amendment was, on page 23, line 23, after the word "indirectly", to strike out "nor to prevent the furnishing in confidence to other executive agencies of the Federal Government such data and information as may be useful to them in the performance of their duties" and insert a colon and the following additional provisos: "Provided further, That no part of this appropriation shall be available directly or indirectly for making any subsidy payments: *Provided further, That no part of this appropriation*

shall be used to enforce any maximum price or prices on any agricultural commodity or any commodity processed or manufactured in whole or substantial part from any agricultural commodity unless and until (1) the Secretary of Agriculture has determined and published for such agricultural commodity the prices specified in section 3 (a) of the Emergency Price Control Act of 1942 and has redetermined and republished any such parity or comparable price after the first such determination and publication; (2) in case of a comparable price for such agricultural commodity, the Secretary of Agriculture has held public hearings and determined and published such comparable price in the manner prescribed by section 3 (b) of said act; and (3) the Secretary of Agriculture has determined after investigation and proclaimed that the maximum price or prices so established on any such agricultural commodity or any such product thereof will reflect to the producer of such agricultural commodity a price in conformity with section 3 (c) of said act: *Provided further, That no part of this appropriation shall be used for paying any administrative expenses incurred in connection with, or for paying the compensation of any officer or employee who renders services in connection with or gives his approval to any order, regulation, or requirement (1) under which any contiguous region or territory, within which hardwood lumber of substantially the same kind and quality is produced, is divided into different areas or regions for the purpose of fixing maximum prices for such lumber, or (2) which fixes maximum prices for hardwood lumber produced in any part of any contiguous region or territory which are different from the maximum prices fixed for hardwood lumber of substantially the same kind and quality produced in other parts of such region or territory: *Provided further, That no part of this appropriation shall be available to pay the salary of any person at the rate of \$4,500 per annum or more unless such person shall have been appointed by the President, by and with the advice and consent of the Senate.**

Mr. McKELLAR. Mr. President, under the agreement this amendment will go over.

The PRESIDING OFFICER. The amendment will be passed over.

The next amendment was, under the heading "Independent executive agencies", on page 25, after line 16, to insert:

BOARD OF INVESTIGATION AND RESEARCH—
TRANSPORTATION

Board of Investigation and Research: For an additional amount for the Board of Investigation and Research, fiscal year 1943, including the objects specified under this head in the Third Supplemental National Defense Appropriation Act, 1942, and including not to exceed \$14,000 for the temporary employment of persons or organizations, by contract or otherwise, without regard to section 3709, Revised Statutes, or the civil service and classification law, \$500,000, which amount shall be added to and merged with the unexpended balance, as of June 30, 1942, of the appropriation under said head: *Provided, That said section 3709, Revised Statutes, shall not apply to any purchase hereunder when the aggregate*

amount involved does not exceed the sum of \$50.

Mr. BARKLEY. Mr. President, I should like to ask the Senator from Tennessee a question. As I understand, this is the Board created by the Congress, which under the act could be extended, and has been extended, for a 2-year period, to make an investigation and research regarding certain transportation matters.

Mr. McKELLAR. The Senator's statement is correct.

Mr. BARKLEY. I understand that the Budget estimate was \$272,000.

Mr. McKELLAR. That is correct; but the committee felt that that was not enough, and increased the amount to \$500,000.

Mr. BARKLEY. That is what I wished to inquire about. The \$500,000 is in lieu of the Budget estimate, which I felt was skimping the Board, if it is to do a real job.

Mr. McKELLAR. The committee heard proof on the subject, and became convinced that the Board ought to have \$500,000 so that this work may be completed as soon as possible.

Mr. BARKLEY. I wish to express my appreciation to the Senator.

Mr. RUSSELL. Mr. President, I offered this amendment in the committee. I should like to point out that the amount in the amendment is less than the Board had for the last fiscal year. I do not think we can reduce the amount below that recommended by the committee and have any assurance that the work will be properly performed.

Mr. McKELLAR. The Senator from Kentucky is in favor of the amendment.

Mr. BARKLEY. I was on the verge of congratulating the committee for increasing the amount, because I think the Board is doing good work. It is necessary that it have this amount in order that it may accomplish the purpose which Congress had in mind when the Board was created.

Mr. McKELLAR. The committee so held; and those who came before the committee said they could get along very well on \$500,000.

Mr. PEPPER. Mr. President, I wish to join in congratulating the committee on the fine work it has done in increasing the appropriation. Does the Senator have any estimate from the Board as to what progress is being made on this study?

Mr. McKELLAR. Very excellent progress is being made.

Mr. PEPPER. No doubt the Board will make a report soon?

Mr. McKELLAR. It will make a report as soon as possible.

Mr. BARKLEY. Of course, the Senator understands that when this Board was created the law gave it a life of 2 years, subject to a further extension of 2 years by order of the President. The Board was not appointed and did not begin to function until some time after the first 2-year period began to run. In view of that fact, and probably because an extension would have been required anyway, the President has exercised his authority by extending the life of the Board for 2 years more. During the next

2 years it is expected that the Board will submit a constructive report with reference to the matter which it is investigating.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment on page 25, beginning in line 17.

The amendment was agreed to.

The next amendment was, under the heading "Department of Agriculture," on page 29, after line 5, to insert:

FOREST SERVICE

Forest products: Not to exceed \$30,000 of the appropriation for experiments, investigations, and tests of forest products at the Forest Products Laboratory, or elsewhere, fiscal year 1943, shall be available for the acquisition of additional land adjacent to the present site of said laboratory at Madison, Wis.

The amendment was agreed to.

The next amendment was, on page 29, after line 12, to insert:

BUREAU OF HOME ECONOMICS

Salaries and expenses: For an additional amount for salaries and expenses, Bureau of Home Economics, fiscal year 1943, including the objects specified under this head in the Department of Agriculture Appropriation Act, 1943, \$20,000.

The amendment was agreed to.

The next amendment was, under the heading "Department of the Interior," on page 33, after line 10, to insert:

PETROLEUM CONSERVATION DIVISION

For an additional amount for the Petroleum Conservation Division, fiscal year 1943, to be supplemental to the appropriation for this purpose for said fiscal year, and to be available, in addition to the objects and purposes specified for said appropriation, for all expenses necessary to administer the act of February 22, 1935 (49 Stat. 30), as amended, including contract stenographic reporting services, stationery and office supplies, and the purchase (not to exceed \$5,100), exchange, hire, maintenance, operation, and repair of passenger-carrying automobiles, \$232,000: *Provided*, That the limitation on the amount which may be expended for printing and binding is hereby increased from \$600 to \$3,600, and for books, newspapers, and periodicals from \$600 to \$700.

The amendment was agreed to.

The next amendment was, at the top of page 34, to insert:

BUREAU OF INDIAN AFFAIRS

Payment to Middle Rio Grande Conservancy District, New Mexico: For payment to the Middle Rio Grande Conservancy District, New Mexico, in accordance with the provisions of the act of February 10, 1942 (Public Law 447, 77th Cong.), fiscal year 1943, \$22,415.43, to be reimbursed to the United States in accordance with existing law.

The amendment was agreed to.

The next amendment was, on page 34, after line 8, to insert:

Compensation and expenses of an attorney or attorneys, Shoshone Tribe of Indians, Wyoming (tribal funds): For compensation and expenses of an attorney or attorneys under a contract approved by the Assistant Secretary of the Interior on February 13, 1942, \$18,000, or so much thereof as may be necessary, payable from funds on deposit in the Treasury to the credit of such tribe of Indians; and the amount herein appropriated shall be available for compensation earned and expenses incurred during the period covered by said contract.

The amendment was agreed to.

The next amendment was, on page 35, after line 19, to insert:

NATIONAL PARK SERVICE

Salaries and expenses, National Capital parks; For an additional amount, fiscal year 1943, including the objects specified under this head in the Interior Department Appropriation Act, 1943 (Public Law 645, 77th Cong.), \$15,000.

Mr. THOMAS of Oklahoma. Mr. President, I ask that the amendment at the bottom of page 35 go over until tomorrow, for the following reason: It has come to my attention that heretofore Congress has made appropriations of small amounts for the purpose of having some landscaping done around the reservoir area of the Red River-Denison Dam, which is a flood-control and power project. I am advised only today that the work is now in progress, but the small amount of money which was made available in the appropriation act last year is not sufficient, and a request is made for \$10,000 additional. I ask that the amendment go over.

Mr. McKELLAR. This is a different item.

Mr. THOMAS of Oklahoma. This is under the National Park Service.

Mr. McKELLAR. Yes; but this item is for "Salaries and expenses, National Capital Parks." Those are the parks here in the city. The item is for some additional policemen, made necessary by reason of the war.

Mr. THOMAS of Oklahoma. The National Park Service is making this survey. It should have been taken care of in the regular bill, but it was overlooked because it was not called to the attention of any Senator. If it is in order, I should like to offer an amendment at this point.

Mr. McKELLAR. I have no objection to taking the amendment to conference.

Mr. THOMAS of Oklahoma. If the amendment goes over until tomorrow, I shall have an opportunity to prepare an amendment and offer it tomorrow.

The PRESIDING OFFICER. The amendment will be passed over.

The next amendment was, under the heading "Department of Justice," on page 36, after line 19, to insert:

MISCELLANEOUS APPROPRIATIONS

Salaries and expenses, Special War Effort Unit. For an additional amount for salaries and expenses, Special War Effort Unit, Department of Justice, fiscal year 1943, to be supplemental to the appropriation made for this purpose for said fiscal year and to be available for the same objects, \$125,000.

The amendment was agreed to.

The next amendment was, under the heading "Department of State," on page 37, after line 14, to insert:

OFFICE OF THE SECRETARY OF STATE

Salaries: For an additional amount for salaries, fiscal year 1943, including the objects specified under this head in the Department of State Appropriation Act, 1943, \$320,000.

The amendment was agreed to.

The next amendment was, on page 37, after line 18, to insert:

CONTINGENT EXPENSES (DEPARTMENTAL)

Contingent expenses: For an additional amount for contingent expenses, Department of State, fiscal year 1943, including the ob-

jects under this head in the Department of State Appropriation Act, 1943, \$23,000.

The amendment was agreed to.

The next amendment was, under the subhead "Foreign Intercourse," on page 38, after line 1, to insert:

Foreign Service, auxiliary (emergency): For an additional amount for Foreign Service, auxiliary (emergency), Department of State, fiscal year 1943, including the objects specified under this head in the Department of State Appropriation Act, 1943, \$1,300,000.

The amendment was agreed to.

The next amendment was, under the heading "Treasury Department—Office of the Secretary," on page 39, line 24, after the figures "\$5,000,000", to insert a colon and the following proviso: "*Provided*, That \$74,000 of this appropriation shall be transferred to the emergency fund for the President created by the Independent Offices Appropriation Act, 1942, as amended by the Independent Offices Appropriation Act, 1943, in reimbursement of said appropriation on account of the advance therefrom of a like sum for the purposes hereof."

The amendment was agreed to.

The next amendment was, on page 40, after line 9, to insert:

Reimbursement to District of Columbia, benefit payments to White House Police and Secret Service forces: To enable the Secretary of the Treasury to reimburse the District of Columbia on a monthly basis for benefit payments made from the revenues of the District of Columbia to members of the White House Police force and such members of the United States Secret Service Division as are entitled thereto under the act of October 14, 1940 (54 Stat. 1118), to the extent that such benefit payments are in excess of the salary deductions of such members credited to said revenues of the District of Columbia during the fiscal year 1943, pursuant to section 12 of the act of September 1, 1916 (39 Stat. 718), as amended, \$27,000.

The amendment was agreed to.

The next amendment was, under the subhead "Bureau of Internal Revenue," on page 42, line 13, after the numerals "1943", to strike out "\$127,740" and insert "\$652,740."

The amendment was agreed to.

The next amendment was, under the heading "Title II—General Provisions", on page 4f after line 10, to insert the following new section:

SEC. 204. No part of any appropriation contained in this act shall be used for paying any administrative expenses incurred in connection with, or for paying the compensation of any officer or employee who renders services in connection with or gives approval to, (1) any order, regulation, or requirement under which an increase in the price of any commodity (including gasoline and other petroleum products) has been or is permitted for the purpose of providing for or allowing payments into a pool or fund for defraying increased transportation costs resulting from a change in the methods of transporting such commodity if such increase is applicable to any State with respect to which no change has been made in the usual method of transporting the major portion of such commodity sold within such State, unless a uniform increase in the price of such commodity has been permitted in all parts of the continental United States (not including Alaska) for such purpose, or (2) any arrangement or agreement under which payments with respect to any commodity (including gasoline and other petroleum products) sold in any State are

made into a pool or fund for defraying increased transportation costs resulting from a change in the methods of transporting such commodity if no change has been made in the usual method of transporting the major portion of such commodity sold within such State, unless payments into such pool or fund are made at a uniform rate with respect to such commodity when sold in any part of the continental United States (not including Alaska).

The amendment was agreed to.

The next amendment was, on page 46, after line 13, to insert the following new section:

SEC. 205. No part of the funds appropriated in this act shall be expended to pay the salary of any person recruited from any other Government department or agency at a rate of compensation greater than that which such person was receiving from the department or agency from which recruited.

Mr. O'MAHONEY. Mr. President, by authority of the committee I offer an amendment to the amendment.

The PRESIDING OFFICER. The amendment offered by the Senator from Wyoming to the amendment reported by the committee will be stated.

The CHIEF CLERK. In section 205, in the committee amendment on page 46, line 15, after the word "person", it is proposed to insert the word "hereafter."

The amendment to the amendment was agreed to.

Mr. O'MAHONEY. By authority of the committee, I offer another amendment to the amendment.

The PRESIDING OFFICER. The amendment offered by the Senator from Wyoming to the amendment reported by the committee will be stated.

The CHIEF CLERK. In the committee amendment on page 46, in line 19, after the word "recruited" and before the period, it is proposed to insert a colon and the words "Provided, That this section shall not operate to prevent increases in compensation as provided by the act of August 1, 1941 (Public Law 200)."

The amendment to the amendment was agreed to.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment, as amended.

Mr. BARKLEY. Mr. President, is not this one of the amendments which should be passed over?

Mr. McKELLAR. No; this is on an entirely different subject.

Mr. BARKLEY. In what line is the amendment to the amendment?

Mr. McKELLAR. Section 205 does not apply to salaries. It applies to an entirely different subject. Let me say to the Senator and to the Senate that the committee met this morning, and after hearing from Mr. Nelson, agreed upon two amendments, one of which has just been agreed to, and another of which is about to be agreed to.

Mr. BARKLEY. Is this a different section?

Mr. McKELLAR. It is a different section. It does not go over.

Mr. McNARY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. McNARY. Is reference now made to section 204?

Mr. McKELLAR. No; to section 205.

Mr. McNARY. What happened to section 204?

Mr. McKELLAR. As I recall, it was agreed to.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment on page 46, beginning in line 14, as amended.

The amendment as amended was agreed to.

The next amendment was, on page 46, line 20, after "Sec.", to strike out "204" and insert "206"; in line 22, after the numerals "1943", to insert "and the appropriations and authority with respect to appropriations contained in the Interior Department Appropriation Act, 1943, and the act making appropriations for the Department of State, the Department of Justice, the Department of Commerce, and the Federal judiciary, for the fiscal year ending June 30, 1943, and for other purposes"; on page 47, line 6, after the numerals "1942", to strike out "and the date of enactment of this act", and insert "and the respective dates of enactment of this act and such other appropriation acts", and in line 8, after the word "such", to insert "respective."

The amendment was agreed to.

The next amendment was, on page 47, line 11, to change the section number from 205 to 207.

The amendment was agreed to.

The PRESIDING OFFICER. That completes the committee amendments.

Mr. McKELLAR. Mr. President, I ask that the clerks be authorized to renumber the sections as may be necessary.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McKELLAR. I offer an amendment in the nature of a substitute for section 203, on page 44, beginning in line 21. In offering the substitute let me say that I have received a letter from Mr. CANNON, chairman of the House Appropriations Committee, in which he says he wants this course taken so that the matter may go to conference. He states his desire regarding an amendment in the following language:

On page 45, line 4, after the word "act", insert a comma and the words "except where amounts for such purposes are included for special projects or for transfer to other agencies."

I offer the amendment in accordance with Mr. CANNON's letter. In further explanation, at this point I offer the letter of Mr. CANNON in justification of the amendment, and ask unanimous consent that it be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

HOUSE OF REPRESENTATIVES,

COMMITTEE ON APPROPRIATIONS,

Washington, D. C., July 14, 1942.

HON. KENNETH D. McKELLAR,

Chairman, Deficiency Subcommittee,

United States Senate.

MY DEAR SENATOR: The House committee in reporting H. R. 7319, the first supplemental national defense appropriation bill, 1943, included therein section 203, with a view to restricting expenditures for printing and binding, traveling expenses, and purchase of motor vehicles.

My attention has been called to the likelihood of difficulty occurring in connection with its administration from two standpoints: (1) A number of the war agencies have included in their budgets to us special projects which are not broken down in detail and, therefore, should not be subject to the limitation because there are no determining figures in the justifications; and (2) a number of these agencies also have had included in their budgets sums for transfer to other agencies for work to be done for them, and these sums will be determined by the Director of the Budget in accordance with the section.

Therefore, in order to avoid any confusion in connection with the intention of the section, I would suggest that it be amended as follows:

On page 45, line 4, after the word "act" insert ", except where amounts for such purposes are included for special projects or for transfer to other agencies."

If you will be good enough to have this amendment made, it will bring the matter to conference and aid in clarifying the section.

With every good wish, I am,

Sincerely yours,

CLARENCE CANNON, Chairman.

Mr. McKELLAR. I now ask that the amendment be stated.

The PRESIDING OFFICER (Mr. CHAVEZ in the chair). The amendment will be stated.

The CHIEF CLERK. On page 44, beginning with line 21, it is proposed to strike out all down through and including line 10 on page 45, and insert in lieu thereof the following:

SEC. 203. Wherever appropriations in this act for any Federal agency are available for printing and binding, traveling expenses, and the purchase of motor-propelled passenger-carrying vehicles, the amounts expended for such purposes, respectively, shall not exceed the sums set forth therefor in the justifications of the Budget estimates of appropriations for such agencies submitted to the Committee on Appropriations, House of Representatives, in connection with this act, except where amounts for such purposes are included for special projects or for transfer to other agencies; and wherever transfers from any such appropriation are made to another Federal agency, other than an agency acting solely in a procurement capacity, the amounts of such transfers expended, respectively, for the foregoing purposes shall not exceed the sums which the Director of the Bureau of the Budget shall approve therefor in connection with each such transfer.

Mr. MALONEY. Mr. President, may we have an explanation of the amendment? Its purpose does not clearly appear from the reading.

Mr. McKELLAR. The amendment was offered at the request of Mr. CANNON, in order that the matter may be worked out in conference.

Mr. CANNON says in his letter:

The House committee in reporting H. R. 7319, the first supplemental national defense appropriation bill, 1943, included therein section 203 with a view to restricting expenditures for printing and binding, traveling expenses, and purchase of motor vehicles.

My attention has been called to the likelihood of difficulty occurring in connection with its administration from two standpoints: (1) A number of the war agencies have included in their budgets to us special projects which are not broken down in detail and therefore should not be subject to the limitation because there are no determining figures in the justifications; and (2)

a number of these agencies also have included in their budgets sums for transfer to other agencies for work to be done for them and these sums will be determined by the Director of the Budget in accordance with the section.

Therefore, in order to avoid any confusion in connection with the intention of the section, I would suggest that it be amended as follows:

On page 45, line 4, after the word "Act", insert "except where amounts for such purposes are included for special projects or for transfer to other agencies."

If you will be good enough to have this amendment made it will bring the matter to conference and aid in clarifying the section.

I think this action should be taken. I think we should have this break-down, and should know exactly what we are doing in this transaction.

Mr. MALONEY. I thank the Senator.

Mr. McKELLAR. I ask that the amendment be agreed to.

The PRESIDING OFFICER. The question is on agreeing to the amendment in the nature of a substitute submitted by the Senator from Tennessee on page 44, beginning in line 21.

The amendment was agreed to.

Mr. McKELLAR. Mr. President, I offer another amendment on behalf of the committee, to be inserted on page 35, after line 19. It has been printed, and lies on the desk.

Mr. DANAHER. Mr. President, I was seeking recognition, but apparently I was in conflict with the Senator from Tennessee. I should like to know whether we formally acted on the proposed new section 204, on page 45, beginning with line 11, and continuing through line 13 on page 46.

Mr. McKELLAR. Yes.

The PRESIDING OFFICER. The Senate has acted on the committee amendment, and it has been agreed to.

Mr. DANAHER. I ask unanimous consent that the vote by which the amendment was agreed to be reconsidered.

The PRESIDING OFFICER. Is there objection?

Mr. RUSSELL. Mr. President, reserving the right to object, let me point out that the Senator from Connecticut was present when the amendment was read, and if he had desired to oppose it he had opportunity to do so. I have no particular objection to having the Senate reconsider the vote by which the amendment was agreed to. Does the Senator from Connecticut desire to oppose the amendment?

Mr. DANAHER. I wish to have it considered with other controversial matters which I had understood, from an announcement previously made, were to be deferred until tomorrow.

The PRESIDING OFFICER. The Chair is informed that the amendment relating to section 205 is to be considered tomorrow, but that the amendment relating to section 204 was considered by the Senate and was agreed to.

Mr. McKELLAR. Mr. President, I ask the Senators to wait for a moment. There are only two other committee amendments to be considered. Will Senators be kind enough to wait until the committee amendments are considered, and then take such action as they may

deem necessary? Of course, I am willing to have any suggestion the Senator from Connecticut may care to make considered, if he has anything he wishes to have considered.

The PRESIDING OFFICER. The Chair was informed, and stated, that consideration of the amendment relating to section 205 was to go over until tomorrow. The Chair is now informed that that amendment has been agreed to as modified by the amendments offered by the Senator from Wyoming.

Mr. DANAHER. Mr. President, the announcement of the chair indicates the confusion which prevails. I conferred with two or three other Senators with reference to the amendment relating to section 204, and they told me it had gone over, and that it was agreed that it go over as being among the controversial items which are to be acted upon tomorrow.

A few minutes ago the chair announced that the amendment relating to section 204 has been agreed to and that the amendment relating to section 205 was to be deferred, but now the chair states that action also was taken on the amendment relating to section 205.

The PRESIDING OFFICER. That is correct.

Mr. DANAHER. I believe that the pending question is the request for unanimous consent to reconsider the action of the Senate in agreeing to the amendment relating to section 204.

The PRESIDING OFFICER. Is there objection?

Mr. RUSSELL. I think I shall be constrained to object.

Mr. McKELLAR. Let us finish consideration of the committee amendments. Then a motion to reconsider can be made.

The PRESIDING OFFICER. The amendment submitted by the Senator from Tennessee will be stated.

The CHIEF CLERK. On page 35, after line 19, it is proposed to insert the following:

Reduction of zinc concentrates with methane gas (national defense): For all necessary expenses, without regard to section 3709 of the Revised Statutes, for pilot tests on the reduction of zinc concentrates to metal with methane gas, including laboratory research, maintenance and operation of pilot plant; procurement of necessary material and ores; purchase or lease of land or buildings; construction and equipment of buildings to house pilot plant, including engagement by contract or otherwise, at such rates of compensation as the Secretary of the Interior may determine, of engineers, architects, or firms or corporations thereof necessary therefor; supplies and equipment; traveling expenses; not to exceed \$10,000 for personal services in the District of Columbia; not to exceed \$500 for printing and binding; purchase (not to exceed \$1,850) including exchange, operation, maintenance, and repair of passenger-carrying automobiles; special wearing apparel and equipment for the protection of employees while employed; and the purchase in the District of Columbia and elsewhere of other items otherwise properly chargeable to the appropriation, "Contingent expenses, Department of the Interior"; fiscal year 1943, \$350,000, to remain available until expended: *Provided*, That the Secretary of the Interior is authorized to accept lands, buildings, equipment, and other contributions from public or private sources for the

purposes hereof, and to carry out projects in cooperation with other agencies, Federal, State, or private.

The amendment was agreed to.

Mr. McKELLAR. I offer another amendment which the committee has authorized. It has been printed, and lies on the desk.

The PRESIDING OFFICER. The amendment offered by the Senator from Tennessee will be stated.

The CHIEF CLERK. On page 37, line 18, after the figures "\$320,000" and before the period, it is proposed to insert the following: "of which \$40,000 is hereby made available, without regard to civil-service and classification laws, for salaries of members and other employees of the Visa Board of Appeals: *Provided*, That salaries may be paid to the members of the Board at a rate not exceeding \$10,000 per annum: *Provided further*, That no part of said \$40,000 shall be available to pay the salary of any person at a rate of \$4,500 per annum or more unless such person shall have been appointed by the President, by and with the advice and consent of the Senate."

Mr. McNARY. I ask that consideration of the amendment go over. I might also make a point of order against it because it proposes legislation on an appropriation bill.

Mr. McKELLAR. Yes; it proposes legislation. That is why I gave notice yesterday that I would ask for its consideration.

Mr. McNARY. Is it an amendment to the amendment in the bill about which the Senator gave notice?

Mr. McKELLAR. It is an amendment regarding which I gave notice yesterday; yes.

Mr. McNARY. I should like to have consideration of it go over.

Mr. McKELLAR. It will be perfectly satisfactory to me to have its consideration go over. Let me say to the Senator that the Visa Board of Appeals has been recently created and is of tremendous importance at this time, during the war.

Mr. McNARY. Yes.

Mr. McKELLAR. I do not object at all to having consideration of the amendment go over, but I certainly wanted to explain the situation to the Senator.

Mr. McNARY. We shall not pass the bill before tomorrow.

Mr. McKELLAR. Oh, no. I have no objection to the Senator's request that consideration of the amendment go over.

Mr. McNARY. Very well.

Mr. DANAHER. Mr. President, has the Senator from Tennessee presented all matters on which he desires action?

Mr. McKELLAR. Yes; I think that is all. I thank the Senator.

Mr. O'MAHONEY. Mr. President, will the Senator yield to me?

Mr. DANAHER. I yield to the Senator from Wyoming.

Mr. O'MAHONEY. I thank the Senator from Connecticut. There was another amendment which we discussed this morning in the committee. The distinguished Senator from Tennessee will recall it. It is on page 9, line 20. It is the appropriation for the Division of Central Administrative Services. The Budget estimate for this item was somewhat in

excess of \$12,000,000. When the other House reduced the appropriation for the Office of Price Administration it made a comparable cut in the appropriation for the Central Administrative Services.

An examination of the record discloses that, as of June 30, 1942, there were about 51,000 persons employed in the various services for which this Bureau acts as the central administrative agency, as a procurement office, as an office for handling space and handling personnel.

The increase which the Senate committee allowed for the Office of Price Administration of some \$45,000,000 also carries with it an increase of personnel. It is represented that there should be an increase in this item, inasmuch as the personnel of this Office itself must be increased. So I was going to suggest, Mr. President—

Mr. McKELLAR. Mr. President, in the committee meeting this morning, as I recall, the Senator undertook to fix the proportion—

Mr. O'MAHONEY. That is correct.

Mr. McKELLAR. The proportion that should be added in order to effect the purpose he has in mind.

Mr. O'MAHONEY. Precisely.

Mr. McKELLAR. Has the Senator done that?

Mr. O'MAHONEY. Yes; and I am going to move that the figures "\$9,000,000" be stricken out, that the figures "\$10,800,000" be inserted, and that the matter be taken to conference.

Mr. HAYDEN. If the amendment is agreed to, then in conference it may be understood that the total sum of money for the Price Administration will be reflected in this item.

Mr. O'MAHONEY. That is agreeable.

Mr. HAYDEN. Very well.

Mr. McKELLAR. Mr. President, I see no objection to the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Wyoming [Mr. O'MAHONEY].

The amendment was agreed to.

Mr. DANAHER. Mr. President, I move that the Senate reconsider the vote by which it agreed to the committee amendment on page 45, commencing at line 11 and running over onto page 46, line 13.

Mr. RUSSELL. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state his inquiry.

Mr. RUSSELL. As I understand the rules of the Senate, no matter may be reconsidered more than once. Is that correct?

The PRESIDING OFFICER. That is correct.

Mr. RUSSELL. I desire to preserve all my rights in this matter. I have no objection to a reconsideration of this amendment if any rights that I may have to move for a reconsideration subsequently may be preserved; but, under the parliamentary situation, in the event that the motion should prevail at this time, and subsequently the amendment should be defeated, I would not have a right to move a reconsideration. I do not wish to suggest the absence of a quorum, but—

Mr. BARKLEY. Mr. President, will the Senator yield there?

Mr. RUSSELL. I yield.

Mr. BARKLEY. If the motion of the Senator from Connecticut to reconsider the vote by which the amendment was agreed to shall be adopted, it will put the amendment back into the same status in which it was before it was agreed to. If it should then be rejected, certainly the Senator from Georgia could move to reconsider the vote by which it was rejected, just as the Senator from Connecticut can now move to reconsider the vote by which it was agreed to.

Mr. RUSSELL. I should like to have a ruling from the Parliamentarian on that question. I understand a question cannot be reconsidered more than once.

Mr. BARKLEY. The same action could not be reconsidered more than once.

The PRESIDING OFFICER. The Chair will say to the Senator from Georgia that if the motion of the Senator from Connecticut to reconsider should be agreed to and the amendment should thereafter again be agreed to, then, under rule XIII, no further motion to reconsider would be in order. If, however, after reconsideration the amendment should be rejected, the Senator from Georgia, under the rule, would have a right to move to reconsider the vote by which the amendment was rejected.

Mr. RUSSELL. Mr. President, I want to inquire as to another phase of the parliamentary situation which might affect my rights under this amendment. I refer to the time when the amendment is to be considered. If the amendment is reconsidered now, is it proposed to proceed with its consideration on its merits this afternoon?

Mr. DANAHER. Tomorrow.

Mr. RUSSELL. A motion to reconsider is pending. I should like to have this amendment considered before the other controversial amendments are passed upon by the Senate, if possible.

Mr. AIKEN. Mr. President, will the Senator from Connecticut yield?

Mr. DANAHER. I yield.

Mr. AIKEN. Mr. President, perhaps I may be to blame, to some extent, for the confusion for not being more alert when the matter came up. I certainly understood, however, that proposed amendments of a controversial nature would not be taken up until tomorrow, and I do not know of any more controversial subject today than is the rationing of gas. As I understand, the war in which we are engaged is not a war between 14 States and the Axis Powers but is between the whole United States and the Axis Powers. This amendment and the gas rationing seriously affect 14 States, and I think that the Senators from those 14 States ought to have the right to present their views on this amendment before it shall be finally acted upon. I have no doubt that the desires of the Senator from Georgia will prevail in the long run.

Mr. RUSSELL. I hope the Senator's opinion will be borne out by subsequent developments.

Mr. AIKEN. Be that as it may, I think that the Senators from New England and other Eastern States should have

a right to present their views, and I certainly understood that controversial amendments would go over until tomorrow.

Mr. McKELLAR. Not only should they have a right to present their views, but they will have a right to do so; and I assure the Senator, so far as I am able to do so, that they will have such right.

Mr. RUSSELL. Mr. President, I should like to say that no one is trying to shut off anyone from presenting his views. I merely do not want to lose any rights I may have under the parliamentary situation. I am perfectly willing that the Senator from Vermont should speak on this amendment and that any other Senator should speak who feels that he is affected thereby. I may point out, however, that the amendment has nothing to do with the rationing of gas itself; it merely applies to the price increase order issued by the Office of Price Administration within the past several days.

Mr. McKELLAR. Mr. President, if the Senator will yield—

Mr. DANAHER. I yield to the Senator from Tennessee.

Mr. McKELLAR. I should like to suggest that I have my doubts as to the power of the Administrator to tax a number of the States, and not fix the tax on the entire country. I may be mistaken about it, and he may have such power; but, whatever his powers may be, it seems to me that the reason the price of gasoline and the price of oil have been increased on the east coast is that our enemies are interfering with our shipping on the east coast. Therefore, the question is national, not local, and it seems to me there should be some way of imposing a small tax applicable throughout the country, rather than increasing prices in certain States which are immediately affected.

I have not thought out an amendment which would carry out my view. I do not know whether we could attach such an amendment to the pending bill. That raises a question, because tax measures originate in the House of Representatives primarily, and have to be considered by the Ways and Means Committee, then, when the bills are sent to the Senate, they go to the Committee on Finance. If there is a way of adjusting the matter by taxing the entire country to take care of the condition which has been brought about in the defense of our own country—all the country—it seems to me we should take that course.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. McKELLAR. I do not have the floor, and I thank the Senator from Connecticut for allowing me to make this suggestion.

Mr. MALONEY. Mr. President, I should like to say to the distinguished Senator from Tennessee that more than one way exists for doing what he suggests. He need not be disturbed about it. The very simple way of solving the problem is by way of subsidy in connection with petroleum products. I am very hopeful we will be able, before we finish, to convince those in power that that is the best way to do it.

Mr. BARKLEY. Mr. President, will the junior Senator from Connecticut yield?

Mr. DANAHER. I yield.

Mr. BARKLEY. Following the suggestion just made, I agree with the Senator from Tennessee that this is a war charge.

Mr. McKELLAR. Undoubtedly.

Mr. BARKLEY. It should be borne by the whole country. Of course, we know the cause of the condition. The cost of transporting gasoline from the oil-producing region to the Eastern States by oil tanker, as was formerly done, was about a cent a gallon. The cost of transporting the same oil to the Eastern States by tank cars, on railroads, is 4 or 5 cents a gallon. The result has been an increased cost and to take care of that situation is the object of the 2½-cent increase. We could take care of the increase by direct appropriation out of the Treasury, which would fall on the whole country. We could not levy a tax through an amendment to the pending bill, but we could appropriate the money out of the Treasury to take care of the situation, and it will ultimately have to come from the Treasury anyway, probably. It may be called a subsidy, and that is a bad word which we do not like, but that would be the effect of it. It could be handled, if the Congress wanted to take such a course, without raising any taxes, merely by a direct appropriation. Whether that is the will of Congress is another matter.

It may be, as suggested by the Senator from Connecticut, that it can be handled through the R. F. C. without any action on the part of Congress. But, whatever the method, I think sooner or later we will be forced to the conclusion that many of the local inconveniences growing out of the war which result in damage and cost to local communities, through no fault of their own, will have to be assessed against the whole country as a war expense. I think we will have to deal with that problem in the very near future.

Mr. McKELLAR. Probably that is true.

Mr. BARKLEY. It may be that it should be done in a comprehensive way, and not acted on every time some particular industry comes along with a local situation like that now being discussed.

Mr. McKELLAR. I am not so sure about that, but, so far as the present difficulty is concerned, it is not the fault of the citizens of the coastwise States that U-boats are sinking our oil tankers.

Mr. BARKLEY. That is undoubtedly true.

Mr. McKELLAR. That is a national matter, and not a matter for the States. Therefore it seems to me the additional cost should be borne by the entire country. I do not know that a permanent law should be enacted to take care of the situation, for the reason that we are assured by witnesses who should know that by next December there will be a 24-inch pipe line from the oil fields of Texas to Salem, Ill., and that, with the tank cars we have, the supply of oil going to the eastern coast will probably be sufficient to fill the demand.

Pending that, it seems to me we should do something to protect the people of the coast area from high prices for gasoline, fuel oil, oil used in factories, and the like.

Mr. CHANDLER. Mr. President, will the Senator from Connecticut yield?

Mr. DANAHER. I yield.

Mr. CHANDLER. The immediate question before the Senate is the request, which was later put in the form of a motion by the Senator from Connecticut [Mr. DANAHER], who was on his feet seeking to object, at least temporarily, to the adoption of section 204; but because of some confusion he did not have opportunity to make his objection, and now I hope the Senator from Georgia [Mr. RUSSELL] will permit the Senator from Connecticut to make the objection, so that the fight will not come on a parliamentary question, as to whether or not we will reconsider the vote by which the amendment was agreed to, but will come on the merits.

Mr. RUSSELL. Mr. President, I have no disposition to be captious, if the Senator from Connecticut will pardon me—

Mr. DANAHER. I yield.

Mr. RUSSELL. But if the amendment is to encounter opposition, I should like to have it considered before all the other controversial amendments are considered. If the Senator from Kentucky is willing to have it considered first, I am perfectly willing to agree to a reconsideration of the vote.

Mr. BARKLEY. I think if it is to be reconsidered, it can be taken up tomorrow first.

Mr. RUSSELL. If we can reach an agreement to that effect, I have no objection to reconsideration.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Connecticut [Mr. DANAHER] that the vote by which section 204 was agreed to be reconsidered.

Mr. RUSSELL. On that motion I merely wish to say that I certainly am in hearty agreement with all those who have stated that the expense of transportation is an incident to the war, and that it should be borne by all sections of the country alike. Certainly it is as much a problem of one section as of another to carry on the war, and the sinkings by submarines of our tankers have precipitated a condition which is bearing unduly upon certain sections of the country.

I hope those Senators who have indicated they would oppose the amendment will read it very carefully. If they will do so, they will observe that it is designed to have the increased price apply all over the United States, in order that every section may bear its fair share in paying for any increased cost which might arise by virtue of the war. Of course, that could not be made as clear in a limitation on an appropriation bill as might have been the case had we been free to write legislation, but the limitation very clearly implies that it shall not be in effect if the increase in price of the commodity affected is equally applied to every section of the United States.

With the statement of the Senator from Kentucky, I have no objection to reconsideration of the vote moved by the Senator from Connecticut.

The PRESIDING OFFICER. The question is on the motion of the Senator from Connecticut.

Mr. RUSSELL. Mr. President, I prefer to have the Senator submit a unanimous-consent request, and ask that the amendment be considered first tomorrow, ahead of all other controversial matters.

Mr. DANAHER. I am perfectly willing to withdraw the motion that the vote be reconsidered.

The PRESIDING OFFICER. The Chair is advised that if the vote is reconsidered, the amendment will be the first business to be acted on tomorrow.

Mr. RUSSELL. If that is the ruling of the Chair, I am content. I had not heard that established by any parliamentary action.

The PRESIDING OFFICER. The question is on the motion of the Senator from Connecticut that the vote by which the amendment on page 45, beginning with line 11, was agreed to, be reconsidered.

The motion was agreed to.

The PRESIDING OFFICER. The question now is on agreeing to the amendment.

Mr. DANAHER. I ask unanimous consent that when the Senate shall convene tomorrow the question on agreeing to the pending committee amendment, the inclusion of section 204, on page 45, following line 10, be made the first order of business.

The PRESIDING OFFICER. Without objection, it is so ordered.

BASTILLE DAY

Mr. PEPPER. On this day in the year 1789, in the storming of the Bastille began the French Revolution. The spirit of liberty in an oppressed people surged against the citadel which represented the horrors of tyranny. Out of that revolution came a new France.

A kindred spirit on this continent brought forth the American Republic. Although it was the old France, it was the same people; it was that France which helped our Republic to gain its freedom. That France gallantly and nobly gave its aid when our people were struggling to throw off the hand of their tyrannical oppressor.

I therefore believe it to be appropriate today, when the hand of odious tyranny is again clutching at the throat of France, that we give her assurance that this great Republic has not forgotten its debt of gratitude.

To all who would lay foul hand upon fair France, America raises her warning hand:

Woodman, spare that tree;
Touch not a single bough;
In youth it sheltered me,
And I'll protect it now.

So, to oppressed France, on this anniversary of the storming of the Bastille, we give solemn assurances that a great and free people whom France nurtured in their infancy will never lay down their arms until freedom has come again to the gallant and unconquerable people of France.

EXECUTIVE SESSION

Mr. BARKLEY. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceed to the consideration of executive business.

EXECUTIVE REPORTS OF COMMITTEES

The following favorable reports of nominations were submitted:

By Mr. RADCLIFFE, from the Committee on Immigration:

Earl G. Harrison, of Pennsylvania, to be Commissioner of Immigration and Naturalization, United States Department of Justice, vice James L. Houghteling, resigned.

By Mr. GILLETTE, from the Committee on Naval Affairs:

Sundry officers for appointment and advancement, or retirement, in the Navy;

Sundry temporary officers for appointment in the Marine Corps; and

Sundry citizens and noncommissioned officers to be second lieutenants in the Marine Corps.

The PRESIDING OFFICER (Mr. CHAVEZ in the chair). If there be no further reports of committees, the clerk will proceed to state the nominations on the calendar.

POSTMASTERS

The Chief Clerk proceeded to read sundry nominations of postmasters.

Mr. BARKLEY. I ask unanimous consent that the postmaster nominations be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations are confirmed en bloc.

Mr. McKELLAR. I ask unanimous consent that the President be immediately notified of these confirmations.

The PRESIDING OFFICER. Without objection, the President will be notified forthwith. That completes the calendar.

RECESS

Mr. BARKLEY. As in legislative session, I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 4 o'clock and 22 minutes p. m.) the Senate took a recess until tomorrow, Wednesday, July 15, 1942, at 12 o'clock noon.

CONFIRMATIONS

Executive nominations confirmed by the Senate July 14 (legislative day of July 13), 1942:

POSTMASTER

MINNESOTA

Margaret Mahoney, Morris,

OHIO

Michael F. O'Donnell, Cleveland.





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Senate

(Legislative day of Monday, July 13, 1942)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Dr. Frank F. Bunker, of the Christian Science Church, Washington, D. C., said:

In accordance with the custom in Christian Science Churches, may I ask you to unite in silent prayer, and to follow with the audible repetition of the Lord's Prayer?

(There ensued a period of silent prayer and then the audible recitation of the Lord's Prayer, as follows:)

Our Father which art in heaven, hallowed be Thy name; Thy kingdom come, Thy will be done in earth, as it is in heaven. Give us this day our daily bread; and forgive us our debts, as we forgive our debtors, and lead us not into temptation, but deliver us from evil; for Thine is the kingdom, and the power, and the glory, forever.

Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Tuesday, July 14, 1942, was dispensed with, and the Journal was approved.

MESSAGES FROM THE PRESIDENT— APPROVAL OF A BILL

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, who also announced that on July 11, 1942, the President had approved and signed the act (S. 2543) to amend subsection (3) of section 602 (d) of the National Service Life Insurance Act, as amended, and for other purposes.

CALL OF THE ROLL

Mr. BARKLEY. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Brooks	Connally
Andrews	Burton	Danaher
Bailey	Byrd	Downey
Ball	Caraway	Ellender
Barkley	Chandler	George
Bilbo	Chavez	Gerry
Bone	Clark, Idaho	Gillette
Bridges	Clark, Mo.	Green

Guffey	Norris	Thomas, Okla.
Gurney	Nye	Thomas, Utah
Hatch	O'Mahoney	Tobey
Hayden	Pepper	Tydings
Johnson, Calif.	Radcliffe	Vandenberg
Lee	Reed	Van Nuys
Lucas	Reynolds	Wagner
McKellar	Rosier	White
McNary	Russell	Wiley
Maloney	Schwartz	Willis
Maybank	Spencer	
Mead	Thomas, Idaho	

Mr. BARKLEY. I announce that the Senator from Delaware [Mr. TUNNELL] is absent attending the funeral of the late ex-Senator Bayard, of Delaware.

The Senator from Delaware [Mr. HUGHES] is absent because of illness.

The Senator from West Virginia [Mr. KILGORE], the Senator from Missouri [Mr. TRUMAN], and the Senator from Washington [Mr. WALLGREN] are members of the Committee to Investigate National Defense, and are, therefore, necessarily absent.

The Senators from Alabama [Mr. HILL and Mr. BANKHEAD], the Senator from Michigan [Mr. BROWN], the Senator from South Dakota [Mr. BULOW], the Senators from Nevada [Mr. BUNKER and Mr. McCARRAN], the Senator from Mississippi [Mr. DOXEY], the Senator from Virginia [Mr. GLASS], the Senator from Iowa [Mr. HERRING], the Senator from Colorado [Mr. JOHNSON], the Senator from Arizona [Mr. McFARLAND], the Senator from Utah [Mr. MURDOCK], the Senators from Montana [Mr. MURRAY and Mr. WHEELER], the Senator from Texas [Mr. O'DANIEL], the Senator from Louisiana [Mr. OVERTON], the Senator from New Jersey [Mr. SMATHERS], the Senator from South Carolina [Mr. SMITH], the Senator from Tennessee [Mr. STEWART], and the Senator from Massachusetts [Mr. WALSH] are necessarily absent.

Mr. McNARY. The Senator from Maine [Mr. BREWSTER] is absent attending a session of the Truman committee.

The Senator from Oregon [Mr. HOLMAN] is absent on public business.

The following Senators are necessarily absent:

The Senator from Vermont [Mr. AUSTIN], the Senator from New Jersey [Mr. BARBOUR], the Senator from Nebraska [Mr. BUTLER], the Senator from Kansas

[Mr. CAPPER], the Senator from Pennsylvania [Mr. DAVIS], the Senator from North Dakota [Mr. LANGER], the Senator from Massachusetts [Mr. LODGE], the Senator from Colorado [Mr. MILLIKIN], the Senator from Minnesota [Mr. SHIPSTEAD], the Senator from Ohio [Mr. TAFT].

The VICE PRESIDENT. Fifty-eight Senators have answered to their names. A quorum is present.

PRINTING OF REVISED EDITION OF SENATE RULES AND MANUAL

Mr. HAYDEN. Mr. President, by direction of the Committee on Printing, I report favorably from that committee Senate Resolution 275, and ask for its immediate consideration.

The VICE PRESIDENT. Is there objection to the present consideration of the resolution?

There being no objection, the resolution (S. Res. 275) reported from the Committee on Rules, by Mr. BYRD on the 13th instant, was considered and agreed to, as follows:

Resolved, That the Committee on Rules be, and it is hereby, directed to prepare a revised edition of the Senate Rules and Manual for the use of the Seventy-eighth Congress, and that 1,500 additional copies shall be printed and bound, of which 1,000 copies shall be for the Senate, 200 copies for the use of the Committee on Rules, and the remaining 300 copies shall be bound in full morocco and tagged as to contents and delivered as may be directed by the committee.

ADDITIONAL COPIES OF HEARINGS BEFORE COMMITTEE ON AGRICULTURE AND FORESTRY—PRODUCTION OF INDUSTRIAL AND SYNTHETIC ALCOHOL AND SYNTHETIC RUBBER FROM FARM PRODUCTS

Mr. HAYDEN. Mr. President, from the Committee on Printing, I report back favorably Senate Resolution 276, and ask for its immediate consideration.

The VICE PRESIDENT. Is there objection?

There being no objection, the resolution (S. Res. 276) submitted by Mr. GILLETTE on July 13, 1942, was considered and agreed to, as follows:

Resolved, That in accordance with paragraph 3 of section 2 of the Printing Act, approved March 1, 1907, the Committee on

Agriculture and Forestry of the Senate be, and is hereby, authorized and empowered to have printed for its use 1,000 additional copies of part 1 and subsequent parts of the hearings held before a subcommittee of said committee during the current session, pursuant to the resolution (S. Res. 224) providing for an investigation relative to the production of industrial alcohol, synthetic alcohol, and synthetic rubber from farm crops.

EXECUTIVE REPORTS OF COMMITTEES

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. McKELLAR, from the Committee on Post Offices and Post Roads:

Sundry postmasters

By Mr. GEORGE, from the Committee on Finance:

Frank G. Clark, of Cheyenne, Wyo., to be collector of internal revenue for the district of Wyoming, to fill an existing vacancy; and

Sundry dentists to be assistant dental surgeons in the United States Public Health Service, to take effect from date of oath.

BILL INTRODUCED

Mr. BYRD (for Mr. GLASS) introduced a bill (S. 2657) to repeal the acts of August 15, 1935, and January 29, 1940, relating to the establishment of the Patrick Henry National Monument and the acquisition of the estate of Patrick Henry, in Charlotte County, Va., which was read twice by its title and referred to the Committee on Public Lands and Surveys.

AMENDMENT OF CIVILIAN PILOT TRAINING ACT: TRAINING OF CIVILIAN AVIATION TECHNICIANS AND MECHANICS—CONFERENCE REPORT

Mr. CLARK of Missouri submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 5695) to amend the Civilian Pilot Training Act of 1939 so as to provide for the training of civilian aviation technicians and mechanics, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendment.

JOSIAH W. BAILEY,
BENNETT CHAMP CLARK,
CHAS. L. McNARY,

Managers on the part of the Senate.

A. L. BULWINKLE,
LYLE H. BOREN,
J. W. WADSWORTH,

Managers on the part of the House.

The report was agreed to.

ADDRESS BY SENATOR WILEY AT DODGE COUNTY (WIS.) FAIR

[Mr. WILEY asked and obtained leave to have printed in the Record an address delivered by him on July 5, 1942, at the Dodge County Fair, Beaver Dam, Wis., which appears in the Appendix.]

"WIN THE WAR"—ADDRESS BY MR. JUSTICE BLACK

[Mr. BAILEY asked and obtained leave to have printed in the Record an address delivered by Hon. Hugo L. Black, Associate Justice of the Supreme Court of the United States, at Raleigh, N. C., on Tuesday, July 14, 1942, which appears in the Appendix.]

GRAIN ALCOHOL—EDITORIAL FROM YANKTON PRESS AND DAKOTAN

[Mr. GURNEY asked and obtained leave to have printed in the Record an editorial

from the Yankton (S. Dak.) Press and Dakotan, which appears in the Appendix.]

SUSPENSION OF STATUTES OF LIMITATIONS

Mr. BURTON. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Order of Business 1593, House bill 6484, to suspend temporarily the running of statutes of limitations applicable to certain offenses.

The VICE PRESIDENT. Is there objection?

There being no objection, the Senate proceeded to consider the bill (H. R. 6484) to suspend during the present war the running of statutes of limitations applicable to certain offenses, which had been reported from the Committee on the Judiciary with an amendment, on page 1, line 7, after the word "suspended", to strike out "for the period of the present war and for 6 months thereafter", and to insert "until June 30, 1945, or until such earlier time as the Congress by concurrent resolution, or the President, may designate", so as to make the bill read:

Be it enacted, etc., That the running of any existing statute of limitations applicable to offenses involving the defrauding or attempts to defraud the United States or any agency thereof, whether by conspiracy or not, and in any manner, and now indictable under any existing statutes, shall be suspended until June 30, 1945, or until such earlier time as the Congress by concurrent resolution, or the President, may designate. This act shall apply to acts, offenses, or transactions where the existing statute of limitations has not yet fully run, but it shall not apply to acts, offenses, or transactions which are already barred by the provisions of existing laws.

Sec. 2. That this act shall be in force and effect from and after the date of its passage.

The amendment was agreed to.

Mr. BURTON. Mr. President, before the bill is passed I think I should state briefly that during the last war a number of frauds on the United States were not discovered until the statutes of limitations had about run. Therefore it became clear that it would be advisable to suspend the running of these statutes of limitations in fraud cases, at least until June 30, 1945, or until such earlier time as the Congress by concurrent resolution, or the President, might designate. It is for that reason that the bill has been passed by the House and is presented to the Senate. I ask that it be passed.

The VICE PRESIDENT. The question is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

On motion of Mr. BURTON, the title was amended so as to read: "An act to suspend temporarily the running of statutes of limitations applicable to certain offenses."

MESSAGE FROM THE HOUSE—ENROLLED BILLS SIGNED

A message from the House of Representatives, by Mr. Swanson, one of its clerks, announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

S. 2032. An act to amend section 7 (a) of the act of May 21, 1920 (41 Stat. 613), as amended by section 601 of the act of June 30, 1932 (47 Stat. 417), to authorize interdepartmental procurement by contract, upon orders placed by the War Department, Navy Department, Treasury Department, Civil Aeronautics Administration, and the Maritime Commission;

S. 2404. An act to authorize officers and enlisted men of the armed forces of the United States to accept decorations, orders, medals, and emblems tendered them by governments of cobelligerent nations or other American republics and to create the decorations to be known as the Legion of Merit, and the Medal for Merit; and

H. R. 4314. An act authorizing the States of Minnesota and Wisconsin, jointly or separately, to acquire bridges now existing or to construct, maintain, and operate a free highway bridge across the St. Croix River, also known as Lake St. Croix, at or near Hudson, Wis.

FIRST SUPPLEMENTAL NATIONAL DEFENSE APPROPRIATIONS

The Senate resumed the consideration of the bill (H. R. 7319) making supplemental appropriations for the national defense for the fiscal year ending June 30, 1943, and for other purposes.

The VICE PRESIDENT. The question is on agreeing to the committee amendment on page 45, beginning in line 11, which will be stated.

The LEGISLATIVE CLERK. It is proposed on page 45, after line 10, to insert the following new section:

Sec. 204. No part of any appropriation contained in this act shall be used for paying any administrative expenses incurred in connection with, or for paying the compensation of any officer or employee who renders services in connection with or gives approval to, (1) any order, regulation, or requirement under which an increase in the price of any commodity (including gasoline and other petroleum products) has been or is permitted for the purpose of providing for or allowing payments into a pool or fund for defraying increased transportation costs resulting from a change in the methods of transporting such commodity if such increase is applicable to any State with respect to which no change has been made in the usual method of transporting the major portion of such commodity sold within such State, unless a uniform increase in the price of such commodity has been permitted in all parts of the continental United States (not including Alaska) for such purpose, or (2) any arrangement or agreement under which payments with respect to any commodity (including gasoline and other petroleum products) sold in any State are made into a pool or fund for defraying increased transportation costs resulting from a change in the methods of transporting such commodity if no change has been made in the usual method of transporting the major portion of such commodity sold within such State, unless payments into such pool or fund are made at a uniform rate with respect to such commodity when sold in any part of the continental United States (not including Alaska).

Mr. RUSSELL. Mr. President, the pending amendment is one which I offered in the Committee on Appropriations to rectify injustices which have resulted from the action of the Office of Price Administration in increasing the prices of petroleum products within certain areas. I am very happy to be able to advise the Senate that the difficulties have been so far relieved that it is my intention to ask unanimous consent to withdraw the amendment.

Within the past hour I attended a conference with the Honorable Jesse Jones, Secretary of Commerce and head of the Reconstruction Finance Corporation and its subsidiaries; Mr. Hamilton, the general counsel for the R. F. C.; and the senior Senator from Connecticut [Mr. MALONEY], who has been most active in attempting to solve this very vexing problem.

We have definite assurances from Mr. Jones that the Defense Supplies Corporation, a subsidiary of the R. F. C., created for this purpose, will alleviate the condition complained of by absorbing the increased transportation charges on petroleum products which are brought into zone No. 1, this being the restricted zone where the price increase applies.

In view of the assurances, Mr. President, I have no desire to press the amendment any further. The assurances recognize the contention of those of us who have opposed the order from its inception, that there is involved a question of national scope, growing out of the war, in which every section of the Nation is engaged, and that no selected area should be required to bear a disproportionate share of the war expense.

Mr. President, I ask unanimous consent to withdraw the committee amendment.

Mr. CLARK of Missouri. I have no intention, of course, of objecting to a withdrawal of the amendment, but if the Senator is able to tell us, I should be interested in knowing what authority the Secretary of Commerce has, either through a subsidiary corporation of the R. F. C., or otherwise, to take this action.

Mr. RUSSELL. I regret that I cannot go into detail in answering the Senator's question. From the very beginning it has been contended by the R. F. C. and the Office of Price Administration that they have ample authority under the law to deal with this subject. I understand that reliance is placed not only on the law creating the Office of Price Administration and prescribing its powers and duties, but also upon the provisions of the act which created the Defense Supplies Corporation.

In the case of coal the Defense Supplies Corporation has for some time been defraying a portion of the increased expense of transportation. Such action does not represent a new policy, but it merely applies to fuel oils and petroleum products, a policy which has heretofore been applied with respect to coal.

Mr. CLARK of Missouri. Mr. President, I will say that I am acquainted with that policy, but I do doubt very seriously the authority of the Secretary of Commerce to take such action.

Mr. BARKLEY. Mr. President—
The PRESIDING OFFICER (Mr. CHANDLER in the chair). Does the Senator from Georgia yield to the Senator from Kentucky?

Mr. RUSSELL. I yield.

Mr. BARKLEY. I wanted to state in that connection that the Senator from Georgia is correct in his statement that the subsidiary of the Reconstruction Finance Corporation has been absorbing some of the increased costs in transportation of coal due to the war situation.

This situation was developed this morning in the Committee on Banking and Currency, before which Mr. Jones appeared in connection with the rubber situation, but we went into it in order to develop exactly what has now occurred, and Mr. Jones, without referring to the section of the law—and he had the general counsel of the Reconstruction Finance Corporation present with him—stated that undoubtedly they had the authority to take the action which has been taken. I cannot point specifically to the section of the law, but Mr. Jones and his general counsel made that statement. Perhaps the Senator from Connecticut [Mr. MALONEY] can tell us what the section of the law is. Both Mr. Jones and his general counsel before the Committee on Banking and Currency asserted unequivocally that they did have that authority and were exercising it in connection with another matter. Mr. Jones gave out a release today, which I shall ask to have placed in the Record.

Mr. RUSSELL. Mr. President, I shall read it into the Record.

Mr. BARKLEY. That is sufficient then. So I do not think there is any doubt that Mr. Jones has authority to take this action.

Mr. MALONEY. Mr. President, will the Senator yield to me?

Mr. RUSSELL. I yield to the Senator from Connecticut.

Mr. MALONEY. I desire to point out that under the Emergency Price Control Act of 1942, subsection (e) of section 2 provides:

Whenever the Administrator determines that the maximum necessary production of any commodity is not being obtained or may not be obtained during the ensuing year, he may, on behalf of the United States, without regard to the provisions of law requiring competitive bidding, buy or sell at public or private sale—

And so forth. Further on in the same subsection we find the following language:

Provided, That in the case of any commodity which has heretofore or may hereafter be defined as a strategic or critical material by the President pursuant to section 5d of the Reconstruction Finance Corporation Act, as amended, such determinations shall be made by the Federal Loan Administrator, with the approval of the President, and, notwithstanding any other provision of this act or of any existing law, such commodity may be bought or sold, or stored or used, and such subsidy payments to domestic producers thereof may be paid.

Mr. CLARK of Missouri. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. CLARK of Missouri. Then I should like to inquire, in view of the fact that Mr. Henderson, the Price Administrator, has been putting in apparently a major portion of his time issuing statements denouncing Congress for not authorizing subsidy payments, why he is doing so, if he now contends that he already has the authority under the law to make them? In other words, this seems to me to be precisely the sort of thing which Mr. Henderson is denouncing Congress daily for being reluctant to put into effect; namely, subsidies.

Mr. MALONEY. Mr. President, I should also like to point out that in the Reconstruction Finance Corporation Act, section 5d, we find the following language:

In order to aid the Government of the United States in its national defense program, the Corporation is authorized—

To take such other action as the President and the Federal Loan Administrator may deem necessary to expedite the national defense program, but the aggregate amount of the funds of the Reconstruction Finance Corporation which may be outstanding at any one time for carrying out this clause (g) shall not exceed \$200,000,000.

Mr. President, it is my understanding, I ought to say, that it appears to be the intention of those in authority to exercise the powers given under the Emergency Price Control Act in this connection. That is, under the language which I earlier read from subsection (e) of section 2 of the act.

Mr. RUSSELL. Mr. President, I should like to say again that the Senator from Connecticut has been most helpful in this matter, and has done a great deal of work with the officials of the Reconstruction Finance Corporation, as well as in connection with the amendment, and in pointing out the laws which authorize the Corporation to take this action.

Mr. BYRD. Mr. President, will the Senator from Georgia yield to me?

Mr. RUSSELL. I yield.

Mr. BYRD. I should like to ask the Senator from Connecticut a question. He said the limit was \$200,000,000. I am told that this one single subsidy will cost from \$250,000,000 to \$300,000,000 annually.

Mr. MALONEY. I must say that it appears to me there is no limitation. I believe that any funds of the Reconstruction Finance Corporation may be used for this purpose under the powers provided in the Price Control Act which I just read. I later cited another alternative from the Reconstruction Finance Corporation Act. The \$200,000,000 obviously could be used, but it is my understanding that any Reconstruction Finance Corporation funds may be used under the provisions of the price control law.

Mr. BYRD. Can the funds be used to be given away? I understood the Reconstruction Finance Corporation made loans on collateral, which were returnable to the Reconstruction Finance Corporation.

Mr. MALONEY. I should like to read the language again, because I know what is troubling the distinguished Senator from Virginia, at least I think I know what is troubling him. I feel that he is disturbed about the dangers of general subsidy payments; but, in the Price Control Act from which I have just read, the Senator will note, it provides that subsidy payments may be made in the cases of strategic or critical materials. There is that limitation in this case.

Mr. BYRD. There are many such materials. Does the Senator construe the law to be that the Reconstruction Finance Corporation can pay subsidies in

the case of all materials which are regarded as materials vital to the war?

Mr. MALONEY. No; the Senator does not make such contention. The law provides that the President of the United States must find and determine that the article or material is critical or strategic.

Mr. BYRD. After it is found to be a critical material, then the Reconstruction Corporation can pay subsidies in order to distribute this material to the people of this country. That is what is being done in this instance. The material is not being purchased for the war effort, but is being distributed for domestic consumption.

Mr. MALONEY. I do not so view it, Mr. President. I think nothing is more vital to the war effort right now than the distribution of a sufficient amount of petroleum products. We in the eastern area who are suffering the consequences of the shortage of oil as the result of the transportation situation regard the need for sufficient petroleum as presenting almost as vital a problem as any with which we are confronted. The Senator from Virginia knows, as the able Senator from Georgia has pointed out earlier today, that similar steps have been taken in connection with coal, although I am not sure that any payment has yet been made, because it is a much more complicated situation than this one. Promise of payment has been made; and we are doing nothing here which has not already been done in connection with the coal situation.

Mr. BYRD. In this instance what we are doing is relieving the gasoline consumers of the 17 rationed States of paying an additional price.

Mr. MALONEY. Seventeen.

Mr. BYRD. Seventeen. Virginia is one of the rationed States. We are relieving those consumers of the payment of the increase in the gasoline price, and that cost will then be paid out of the funds of the Reconstruction Finance Corporation. That payment is nonreturnable. It will not be an asset of the Reconstruction Finance Corporation; it will simply be a gift from the Reconstruction Finance Corporation. I do not understand that any law has been passed by Congress which would permit the Reconstruction Finance Corporation to make a plain subsidy payment as a gift, whether it be in connection with a material vital to the war or any other material.

Mr. MALONEY. Mr. President, I must again call the attention of the Senator to the fact that it appears to be the plan of the Federal Loan Administrator, the Secretary of Commerce, to make payments as the result of the powers provided in the Price Control Act. If the Senator from Georgia will permit me further—

Mr. RUSSELL. I yield.

Mr. MALONEY. I will say that what we are doing in fact is imposing upon the people of the entire country, the taxpayers of the country, the burden of paying the cost of this defense need.

Mr. BYRD. It is being done, however, not under an act of Congress. It is being done in the discretion of Mr. Jones. So far as getting the gasoline is concerned, that question is not involved, because the gasoline will come in just as readily by

reason of this increase in the price of gasoline, and putting this money in the pool, as it will by these subsidy payments. I think Congress must decide the broad question of whether we are to start on this vast program of subsidy payments, which will run into a sum of money which may aggregate billions of dollars, which must be added to what we are spending on the war effort.

Mr. MALONEY. I am glad to have the chance, if the Senator from Georgia will permit me another moment, to say that I completely share the feeling of the Senator from Virginia insofar as the general subsidy situation is concerned. I do not want to see it happen. But the need for coal and petroleum in the northeastern section of the country and the eastern seaboard confronts us as a national problem. I do not think the people of this area, including the State of Virginia, should be asked to pay an additional 2½ cents a gallon, when the sole reason for the increased cost is the inability to move tankers up the eastern coast of the United States because of the submarine menace.

Mr. BYRD. I wish to say that in my belief the people of Virginia would prefer to pay the 2½ cents increase in gasoline price, rather than to have this proposal used as an opening wedge of a gigantic plan of subsidies to everyone engaged in business in the country.

Mr. MALONEY. I will say that what is proposed is not an opening wedge. The same thing has already been done in the case of coal.

Mr. BYRD. I will say that the Congress did not do it. This is the first time this particular question has arisen on the floor of Congress. By indirection, at least, we are giving approval to the action of the Reconstruction Finance Corporation in connection with it.

Mr. MALONEY. Congress has done it insofar as the language in the Price Control Act which I read earlier is concerned, and under the powers given in the Reconstruction Finance Corporation Act.

Mr. MAYBANK, Mr. REED, and Mr. TOBEY addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Georgia yield, and if so, to whom?

Mr. RUSSELL. I yield first to the Senator from South Carolina. Later I shall be glad to yield to the Senator from Kansas.

Mr. MAYBANK. Mr. President, I concur in the general idea expressed by the Senator from Virginia [Mr. BYRD] with respect to subsidies, but, in my opinion, the entire burden of the additional expense of transporting gasoline should be borne by all the 48 States. We are engaged in a total war, and we should all sacrifice equally. The reason we do not have gasoline is that ships have been sunk and the lives of sailors have been lost. The increased burden which has been put upon us, particularly in the Southeast, where most of the gasoline is moved by pipe line, is not fair. I am happy to have been associated with the distinguished junior Senator from Georgia in the Appropriations Committee. I seconded this amendment in the committee and worked for it. This

amendment has been responsible for clearing the way to equalize the war effort and has made possible Mr. Jones' agreement. I am pleased to have had a part in protecting our people.

Mr. REED. Mr. President, in the past 10 minutes we have heard the most extraordinary proposition that has been presented to the Congress at this session. At the outset let me say to the Senator from Georgia that I have some familiarity with transportation conditions. I share the feeling of the Senator from Georgia that his State was done an injustice when it was included in the area where gasoline prices were raised. So far as Georgia is concerned, there has been no appreciable or substantial increase in the cost of transportation of gasoline and petroleum products into that State. I do not blame the Senator from Georgia in the least; I do not criticize him a particle for using every possible effort to have justice done to his State.

The Senator from South Carolina does not need to worry. If his State could make the same kind of showing which I am sure Georgia can make, it would be entitled to the same exemption.

Mr. President, the bill as reported by the committee contains a prohibition against subsidies. The imminence of that provision has brought upon the Congress criticism from the Price Administrator. If Jesse Jones can use the money which he is authorized by Congress to use so as to relieve certain persons from the added cost of transportation, we might as well eliminate the antisubsidy amendment from the bill. So far as trying to control war expenses, profits, and losses is concerned, if Mr. Jesse Jones or the R. F. C. can give subsidies—and that is what it amounts to—to anybody who happens to be affected by increased transportation costs, then the Congress might as well quit and go home.

Mr. CLARK of Missouri. Mr. President, will the Senator yield?

Mr. REED. I have the floor only by courtesy of the Senator from Georgia.

Mr. RUSSELL. I yield to the Senator from Missouri.

Mr. CLARK of Missouri. What I call the first amendment, which appears at the top of page 24, reads as follows:

Provided further, That no part of this appropriation shall be available directly or indirectly for making any subsidy payments.

The announced policy of the Secretary of Commerce to go ahead and make subsidy payments merely means that the responsible officials are thumbing their noses at the prohibition contained in the bill at the top of page 24 by saying, "You propose by the bill that money for subsidy payments shall not be obtained out of this appropriation; but we are going around you. We take the position that by existing law we can grant subsidies without limit."

If they once "get away with that," we shall find them granting subsidies without limit, no matter what limitation Congress places on this particular appropriation.

Mr. REED. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. REED. If I may transgress further by courtesy of the Senator from Georgia, let me outline very briefly what the situation is. Because it is a transportation problem, I have given it some thought and study.

When the transportation of gasoline by tankers decreased, and finally almost ceased, the major oil companies which sell gasoline and other petroleum products at wholesale up and down the Atlantic coast absorbed the increased cost of transportation for a while. It has been stated heretofore in the Senate—and I shall state it again—that the cost of transportation by tankers of petroleum and its products, such as gasoline, fuel oil, and other products, was about a cent a gallon from the refineries along the coast of the Gulf of Mexico to Atlantic coast destinations. When the tankers went out of business, the pipe lines were able to carry only a small part of the increased burden.

As we know, the bulk of the gasoline and oil now brought to the Atlantic coast comes by railroad. At the present time the railroad charge for moving gasoline from Houston to New York is 4.1 cents a gallon; from Tulsa to New York it is 4 cents; from Chicago to Philadelphia, 2.2 cents; from Wood River, which is near St. Louis, to Philadelphia, 2.7 cents. So there has been a substantial increase in the cost of transportation. That increase was borne by the larger oil-distributing companies in the East until it accumulated a deficit for them of approximately \$30,000,000. I cannot give the exact figure, but it is in that neighborhood.

Mr. GEORGE. Let me say to the Senator that it is said to be \$38,000,000 at this time.

Mr. REED. That may well be true.

Under the arrangement which had been worked out among the oil companies themselves, the increase in the price of gasoline and other oil products at retail was to be turned into a pool by the large oil companies which distribute the oil. The benefits of the pool were to be so handled as to take up, if possible, the \$38,000,000 deficit, using the figure suggested by the senior Senator from Georgia.

I am unable to follow the line of reasoning that because the cost of transportation of some particular product has increased, a subsidy should go immediately to those who are affected thereby. If we are to start upon a policy of that kind, in the name of the Almighty God, where are we to get off? Are we to start on that kind of a policy through the administrative act of one of the newly created agencies?

I wish to differ with the Senator from South Carolina [Mr. MAYBANK] and other Senators. There is no great difference between the situation of consumers of gasoline and fuel oil along the Atlantic coast and that of consumers in other sections of the United States affected by increased costs. Even those of us who hold X cards will have to pay the increased cost of gasoline. There is no more reason why we should be relieved of that burden than that I should be relieved of the increased cost of operating

my newspaper, the increased cost of operating the dairy farm which I own, or the increased cost of doing anything else.

I come next to the point mentioned by the Senator from Connecticut [Mr. MALONEY], that petroleum is a strategic and critical material. Of course, it is an essential material; but, Mr. President, there is no trouble about the production of oil. There is no trouble about the capacity for refining oil. The only difficulty is in the means of transportation. There is an increased cost of transportation. In my opinion, that increased cost should be borne by the people who use the products. Whether that is done or not, the important thing is that if we are to extend subsidies there is no reason why we should stop there. There is no reason why there should be written into the bill any prohibition against subsidies, or any provision that no part of this appropriation shall be used for making subsidy payments, when Jesse Jones and some of the other agencies, at their own sweet will, and according to their own judgment, can use vast sums of money in effect to grant subsidies.

I agree with the Senator from Virginia [Mr. BYRD]. The best computation I can make—and it is a rough calculation—is that this year alone the source of the subsidy will be called upon to put up about \$250,000,000 if this principle is to be put into effect.

I thank the Senator from Georgia for his courtesy in yielding.

Mr. RUSSELL. Mr. President, I do not agree with the conclusions of the Senator from Kansas. I appreciate the fact that he expressed the opinion that because of the fact that there had been no change in the method of transportation, my State should have been relieved from the cost increase in the first instance. I think that position is absolutely sound. We might go further and say that it should never have been included in the rationed area in the first instance.

It has been very difficult to obtain at all the facts in this case. The Office of Price Administration agreed that it was very unfair and unjust to increase the price of gasoline in Georgia when in fact there had been no increased cost. It stated that it was powerless in the matter because an entirely separate agency of the Government, the office of the Petroleum Coordinator, had delineated the limits of area No. 1, wherein gasoline was to be rationed.

Inquiry at the office of the Petroleum Coordinator developed the fact that that office had had some kind of a request from the Navy Department to see that the eastern seaboard of the United States should suffer a reduction in the consumption of gasoline and oil. So, on the evidence which I have been able to accumulate, I should have great difficulty in finding any one guilty of placing my State in the rationed area when it did not really belong there.

Mr. President, in my judgment the payment of the increased cost of transportation brought about by the sinking of tankers up and down the Atlantic coast by German submarines is as truly

a part of the war, and as properly chargeable to the entire United States as an incident of the war and a part of the war effort, as is any other cost or expense we might be called upon to bear.

I should like to say to the Senator from Kansas that when this matter was first opened we were told it was necessary to reduce the consumption of gasoline along the Atlantic seaboard in order to conserve rubber. The people of the Atlantic seaboard States have never been able to understand why a rubber tire in Kansas is not as much involved in the winning of this war as is a rubber tire in Connecticut or in any of the other States along the Atlantic seaboard. Certainly we can say with all propriety that, whether there is authority or not, regardless of whether Congress has legislated upon it or not, this is a national problem, and should be approached in that spirit in order that all the people of the United States may share equally in the defense of all that we hold dear.

I did not have an opportunity to go into the legality of the question which has been raised by the Senator from Missouri and other Senators because I was preparing to come to the floor this morning to defend this amendment, in fact, I was on my way here when I found that the matter had been worked out on this basis. I did inquire into it because I wanted to have some assurance that the solution would not collapse; and I was told that already under a similar arrangement the increased price of transportation of coal into certain eastern States was being defrayed by the Defense Supplies Corporation. Not only that, but I was informed that the increased cost of transporting nitrate of soda from Chile to the United States was being paid out of the funds of this corporation.

I do not think it is exactly correct and fair to say that this opens the door to absolutely unlimited subsidies. In justice to Mr. Jones, I should like to read the press release which he issued this morning:

JULY 15, 1942.

Jesse Jones, Secretary of Commerce, announced today that Defense Supplies Corporation, a subsidiary of the R. F. C., will assist in financing the transportation and distribution of petroleum products, in order that fuel oil and other petroleum products necessary to the war effort and to the civilian economy may, as far as possible, be made available this fall and winter in the States of the Eastern seaboard. Unless the petroleum can be moved, obviously the necessary maximum production cannot be maintained and not only will the civilian population suffer from a lack of fuel oil to heat their homes this winter, but the great amount of war production in this section will be seriously retarded.

Submarine warfare has made it necessary to transport the oil by rail, truck, and pipe line, which is much more expensive than by tanker.

Certainly the announcement itself, while the fact that the payment is in the nature of a subsidy cannot be disguised, does not make the order vulnerable to the charge that it will be an opening wedge to the payment of unlimited subsidies to anyone who may incur any loss by virtue of the action of the Office of Price Administration.

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. VANDENBERG. The Senator has just stated what I wanted to inquire about. I desire to ask the Senator if he finds it possible to distinguish and discriminate between the use of the power granted by the emergency act to pay a transportation subsidy and the use of the power to pay a general subsidy in the case of any critical or strategic material?

Mr. RUSSELL. I have just stated that the distinction is a very fine one.

Mr. VANDENBERG. Does the Senator think that Mr. Jones draws the same distinction?

Mr. RUSSELL. I do, because of the fact that the only instances in which he has committed the Corporation to pay any expenses incident to the war that might by any stretch of the imagination be called a subsidy have been in the case of transportation to areas which were affected by the war effort and, where the change in the method of transportation was directly attributable to the war.

Mr. VANDENBERG. I think it might be possible to discriminate between a transportation cost and a general cost, but I am unable to see how it is possible to discriminate between the voluntary use of this power by Mr. Jones and his associates for this purpose and its use for any other purpose for which they might see fit to use it. I am wondering whether we have not issued him a license to that effect by the action we have taken. I ask the Senator, as did the Senator from Missouri, how he can find any consistency in the situation which he now describes and the amendment at the top of page 24 of the pending bill, which specifically provides as follows:

Provided further, That no part of this appropriation shall be available directly or indirectly for making any subsidy payments.

It is true that the payments are not being made out of this particular appropriation; but this provision, coming from the committee of which the Senator himself is a distinguished member, and having, I assume, the complete support of the committee, is a declaration of policy against price-control subsidies.

I ask the Senator how he harmonizes that clear-cut condemnation of price-control subsidies with the use today of a price-control subsidy power by the Secretary of Commerce.

Mr. RUSSELL. Mr. President, I do not have to reconcile the language of the amendment with the announcement of the action of Mr. Jones in connection with increased transportation costs; because in the Appropriations Committee I stated that I thought it was absolutely a futile thing to attach a congressional pronouncement of opposition to subsidies to an appropriation with respect to which every dollar of the proposed expenditure had been explained to the committee as being for administrative costs. No one has ever contemplated that even as much as one dime of the money carried in this appropriation would be expended for any subsidies to anyone. The provision the Senator has read is a statement that the Senate stands, as it did when it recommended a certain bill to the Committee on

Banking and Currency, as being opposed to subsidies.

For my part, I voted against the provision adopted by the committee because I considered it absolutely meaningless in this bill, as not \$1 is proposed for subsidy payments to anyone.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. O'MAHONEY. Perhaps it may be appropriate to remark that some of us on the Appropriations Committee who supported the amendment which appears on page 24, the amendment to which the Senator from Michigan has just alluded, did so in the belief that it would make it clear that it was the purpose of the Senate that the appropriations contained in the bill should not be utilized for the purpose of paying subsidies. Logically, the situation which confronts us is that the Congress, by adopting section 5 (g), as I recall the designation, of the Reconstruction Finance Corporation Act has authorized the Reconstruction Finance Corporation to take such action as that which is contemplated in the payment of the costs of transportation of oil.

Already, as has been pointed out, that power, an existing power granted by Congress, has been utilized to take care of the cost of transportation of coal. The Price Control Act, which Congress also passed, contains a provision—section 2 (e), as I recall, which grants to the Office of Price Administration authority to pay subsidies for stimulating production. The presence of that provision in the Price Control Act, administered by the Price Administrator, was the reason why the committee provided that none of the funds should be used to pay subsidies.

Therefore, the situation which is now presented to the Senate is simply that in this instance in which the circumstances are such that the payment of a subsidy to take care of transportation costs of oil seems to be necessary because of conditions, the matter is brought to Congress at least in the way of discussion. I am sure that the feeling of the members of the committee in recommending this amendment against subsidies was that they wished to indicate a belief that if, by reason of our failure to adopt an all-out Price Control Act, we are compelled to resort to subsidies, before such subsidies are paid notice shall be given to the Congress.

The purpose of the amendment is to reassert the right of Congress to know what is going on and what is being done with the power which we have granted and with the money which we have appropriated. So far as I am concerned, I see no inconsistency at all in the position taken.

Mr. REED. Mr. President, will the Senator yield?

Mr. O'MAHONEY. If the Senator will bear with me for another moment, let me say that I feel that what has been done upon the floor this morning and what has been done by the R. F. C. and the O. P. A. and by the Appropriations Committee emphasizes the fact, which we all recognize, that the Price Control Act is defective.

The testimony of Mr. Henderson before the committee itself was a recognition of the fact that the Price Control Act is defective. We are not regulating all the factors which affect the price situation; and because we are not doing so and because the Price Administrator has issued his order of April 28, fixing the prices as of the previous March upon practically all the commodities that the people of the United States use and need and wear, but without dealing with the other factors of rents, labor costs, commissions, and profits, the costs of production are steadily rising against the ceiling which was fixed. We have two alternatives: either to amend the law, as we should do, and put an over-all ceiling upon all the factors, or to pay subsidies, as we are doing in this case.

The situation here is better than it would be under independent action by the R. F. C. or the O. P. A.; because the Congress at least now knows what is being done. Whatever action is taken is being taken in accordance with existing law.

Mr. RUSSELL. Mr. President, I am glad to have the observations of the Senator from Wyoming, and I am sure he clearly expresses the views of some members of the Committee on Appropriations. I do not believe that Mr. Jones has acted hastily in this matter or without due consideration of the legality of his action and of the needs of the situation. I am advised that the action he has taken was requested by the War Department, by the Navy Department, by the Office of Price Administration, and that it bears the approval of the President of the United States. It was brought to the attention of Congress in order that the Congress might know the steps that have been taken to mitigate an injustice which was working a great hardship on some sections of the Nation.

Mr. REED. Mr. President—

Mr. RUSSELL. I yield to the Senator from Kansas.

Mr. REED. Mr. President, I shall trespass upon the courtesy of the Senator from Georgia only to put a further thought into the Record at this point because it is related to this whole discussion.

I wish to call attention to the fact that the assumption of the increased cost and the extension of a subsidy for that purpose will not increase the production of petroleum one barrel; it will not increase the refining capacity one barrel.

Mr. RUSSELL. I cannot agree with the Senator from Kansas in that respect, because if we cannot transport the petroleum to places where it is finally used it will certainly be wasted, for probably either it will be necessary to dump it on the ground or the people who are producing petroleum will stop the operation of their wells. They will not operate at a loss or if there is no market for their products.

Mr. REED. If I may continue, I will say that it will not increase the production of petroleum one barrel; it will increase neither the production nor the refinement nor the transportation.

Mr. President, there is justification for the extension of the subsidy, we will say,

to the high-cost copper producers of Arizona, of Utah, of Montana, or of Michigan, because we need copper desperately. The great copper companies can produce copper and make a profit at a price of 12 cents a pound, but there are many small copper producers that cannot possibly produce copper at 12 cents a pound; and so there is a legitimate field for a subsidy in the production of that most critical material. This, however, is not a case of that kind; it is merely a case of an increase in the cost of distribution, and a subsidy cannot, in the very nature of things, increase production, increase refining, increase distribution, or increase transportation. This is as definite and as direct and as pure and undefiled a subsidy as could be suggested, and unless we are going to subsidize everybody, unless the taxpayers of the United States are going to be asked and required to take over the increased costs of war in every direction, there is no justification for the action of Mr. Jones and it is in direct violation of the provision of the bill written in by the committee. I thank the Senator from Georgia.

Mr. GUFFEY. Mr. President, will the Senator from Georgia yield to me for a moment?

Mr. RUSSELL. I yield to the Senator from Pennsylvania.

Mr. GUFFEY. Does the Senator from Kansas think that it is fair and just that the oil companies of this country should assume the burden of transportation to the extent of \$20,000,000 a month? How long will they continue in business if they have to pay \$20,000,000 a month, and how long will Kansas continue to operate her oil wells?

Mr. REED. I did not catch the purport of the question.

Mr. GUFFEY. At the present time the oil companies are paying \$20,000,000 a month in additional charges on account of railroad transportation more than they would pay if the oil were transported by pipe line or by tankers. It is not their fault that the submarines have sunk the tankers and they cannot transport oil along the Atlantic coast. They responded to the request of the Army and the Navy and the requests of other Government officials to transport the oil by tank cars, and today they are sending by tank cars from the midcontinent field to New York more than 700,000 barrels of oil which formerly was transported by tankers all along the Atlantic coast.

Mr. REED. Mr. President, I think, perhaps, the Senator from Pennsylvania was not present when I referred some time ago to the fact that the large oil distributors in the East did pay the cost from the time the price was raised. I answer the Senator and say, No; I do not think that the distributing oil companies should bear the burden.

The PRESIDING OFFICER. The Senator from Georgia has the floor. Does he yield, and, if so, to whom?

Mr. RUSSELL. I think I have been generous in yielding, but if the Senator from Kansas has not concluded I will yield further to him.

Mr. REED. The Senator from Pennsylvania interrupted me while I had the

floor through the courtesy of the Senator from Georgia, and I was answering the Senator from Pennsylvania.

Mr. RUSSELL. I do not want to interfere with the Senator; I do not agree with any of his contentions but I am perfectly willing to give him the right to speak in my time.

Mr. REED. I was saying to the Senator from Pennsylvania that I do not think the distributing oil companies ought to bear the increased transportation cost. I think it ought to be borne by the ultimate consumer of the gasoline or the fuel oil, just as the increased cost of a myriad of products in daily use for war purposes and otherwise is borne by the consumer. Only where the immediate necessity of the United States for the war effort suggests paying a subsidy, the high-cost copper producers, for example—and we need greater copper production—only in a case of that kind is a subsidy justified. This is a subsidy, and, if we are going to pay it, we had just as well ask the taxpayers of the United States to assume every other increased cost.

Mr. GUFFEY. Mr. President, I am sorry I cannot agree with the position taken by the Senator from Kansas.

Mr. AIKEN and Mr. MAYBANK addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Georgia yield; and if so, to whom?

Mr. RUSSELL. I yield first to the Senator from South Carolina; then I shall be happy to yield to the Senator from Vermont.

Mr. MAYBANK. Mr. President, I want to impress upon the Senator from Kansas the fact that this is a war measure. If a community in America is bombed by planes and is demolished, we would expect the people, as a whole, to pay for it. The sinking of the ships which have been destroyed off the Atlantic coast and in the Gulf of Mexico has created this situation.

In connection with this discussion, Mr. President, I ask unanimous consent to have printed in the RECORD an article from the New York Times magazine of May 10, 1942, entitled "Heroes—Without Medals." Brave citizens of this country who deserve our commendation have gone down on ships in order to make it possible for the people to have oil.

Mr. REED. May I inquire of the Senator from South Carolina whether they were subsidized?

The PRESIDING OFFICER (Mr. DOWNEY in the chair). The Senator should address the Chair.

Is there objection to the request of the Senator from South Carolina?

There being no objection, the article was ordered to be printed in the RECORD, as follows:

HEROES—WITHOUT MEDALS—THE MEN OF THE MERCHANT MARINE RISK EVERY DANGER—NOBODY ON LAND, AT SEA, OR IN THE AIR DOES A MORE VITAL OR COURAGEOUS WAR JOB—THEY ARE HEROES, BUT THEY WON'T ADMIT IT

(By Russell Owen)

The saga of the seas in these days of submarine warfare is one that would make the old vikings of Valhalla lift their horns and cry "Skaal" to the men who are carrying on

in their tradition. It is a tale of devotion to duty, unhonored and unsung, that shows the common man lifted above himself by sacrifice. It is the story of simple courage that gives the listener a new faith in himself, that should inspire those who wonder how they might face death when it looks upon them.

Some seamen came ashore from a torpedoed freighter after days in an open boat and were patted on the back. They growled.

"We're not heroes, we've got a job to do," they said.

They were typical merchant sailors, the men who go down to the sea these days in steel ships to meet death in its most awful forms—by fire, starvation in lifeboats under a blazing sun or in gale-swept waters, mutilation, or the long, slow agony of struggling through oily waters finally to sink.

Your true sailor is a fatalist. He is trained by experience to expect the worst, for the sea is a hard and treacherous mistress. The crews of the smutty freighters that push out to sea, of the tankers with their stores of explosive cargo, are accustomed to disaster. They know the danger of lee shore in a gale and the bite of the cold wind in the northern seas. They are used to being always wet, to sleeping in damp, moldy clothes; used to salt in their food—salt that comes from the tumbling brine. They grouse and curse and are bruised by the tossing of a ship that they never expect to make port, and they carry on. So they may be said to be conditioned to meet this swifter fate that comes with torpedoes.

And apparently they are, for when survivors of a sunken ship come ashore they go back again. "We'll ship out as soon as we can," is a common phrase—a phrase that packs just as much of the unterrified soul of free men as that which comes to the lips of soldiers who were once in Bataan and are determined to go back. It is the same battle cry as that of the British airmen who wing their way through curtains of destruction and return to load up and go out again.

They don't wear uniforms, except the officers, and generally the officers don't wear them either. A merchant captain may have a cap with gold braid, but at sea he usually wears with it a pea jacket or a sweater among other nondescript clothes. The men wear dungarees, or the strange miscellany of garments which the freighter crews get together for their work. They have nothing to distinguish them when they are visiting ashore; and when their bodies are washed up on the beach there is nothing to show that they died in the service of their country. Nobody sounds taps over them when their ship is torn asunder far out on the Atlantic; only the gray sea gathers them to her.

Of all breeds, these men are. Among them are the hard-bitten roughnecks who have spent their lives in the forecabin, splicing hemp and wire cable, chipping rust and painting, and there are also the younger men, clean of cheek and bright of eye, who have chosen the sea as their vocation because they love it. They are of all races and all places, from the plains of Kansas and the Mountain States of the West as well as from Maine and Cape Cod.

Their names may be Scandinavian or English, Polish or French or Greek—they are all sailors, and they have the common characteristic of stolid determination to do their job, come hell or high water. There is a freemasonry of the sea, no matter where one serves, and it binds a ship's crew together with bonds of loyalty when they face danger. Ashore they may squabble, but in trouble at sea they stick.

"Sailors have to expect trouble, especially in times like these," said one. "I did hate to see that ship go, though. She was a beauty."

The ship is their home, their means of life. Even in peace that is so. In war the devotion of the sailor to his ship and to his

shipmates is something that can hardly be expressed in words. And there is more—the fighting determination to carry on with a dangerous task. Not long ago a sailor was picked up from a raft in the Tropics. He had been 5 days without food or water, fighting off sharks. As he was hauled aboard a rescue ship he croaked defiantly, "Buy Defense bonds. Keep 'em moving."

The tales of their heroism—a word they despise—are numberless. There was the captain who was blown off his bridge. After doing cartwheels in the air until he hit the water, he organized the rescue of his crew by keeping them together until they found a lifeboat. And there was another captain, swimming about, who found one of his men without a life preserver and gave him his own.

There are the engineers who have stayed below in scalding steam to stop the engines or reverse them so that the boats could be launched successfully in rough water. There was the man at the wheel, with fire all about him, who saw some of his shipmates being trapped forward by flames and turned the ship into the wind to blow the flames away from them but directly onto himself. He died at the helm, but he saved his friends.

The roll is almost endless, but it is incomplete, because men do not talk much about such experiences. Instead, they line up at the shipping halls and pick out another ship that needs a crew to carry oil or airplanes or guns or tanks or munitions to the fighting front. And every mile they sail, under peaceful skies and over smooth seas that seem to carry no threat, or through wind-torn waters, they are on a fighting front of their own, a front where death strikes without warning.

Heroes? No. Just plain seamen with the courage to take it, to go their way along the zigzag ocean paths, defying fate. When this war is over perhaps someone will tell their story, and it will be one to make the heart of any man lift with pride. Skaal.

Mr. MAYBANK. Mr. President, if, by the courtesy of the Senator from Georgia, I make a further request, I ask unanimous consent to have printed in the *RECORD* a letter from the Office of the Petroleum Coordinator for War in reply to a telegram from me concerning gasoline rationing in the State of South Carolina.

There being no objection, the letter was ordered to be printed in the *RECORD*, as follows:

OFFICE OF PETROLEUM
COORDINATOR FOR WAR,
Washington, July 11, 1942.

MY DEAR SENATOR MAYBANK: The Office of Price Administration has referred to this Office your telegram of June 13, concerning gasoline rationing in the State of South Carolina.

Many of the tankers which normally supplied the east coast with nearly its entire oil supply have been and are being diverted to war service while others have been lost, damaged, or delayed through enemy action. Accordingly, it is indicated that tankers no longer can be depended upon for the east coast petroleum supply, and it is necessary to develop overland and safe-water facilities which will equal in carrying capacity the minimum essential petroleum requirements of that area.

The Plantation Pipeline is a part of the overland facilities which are counted upon to serve the essential petroleum needs of the east coast. If the western section of South Carolina were to be excluded from the gasoline rationing area because of the Plantation Pipeline, most sections in the States of Georgia and North Carolina could make the same request as they are served also by this line. The line is not of sufficient size to supply the

unrestricted gasoline needs of all three States. Likewise, if the delivery of gasoline from this pipeline were restricted to the States through which this line passes, Virginia and other east coast States which now receive gasoline by tank car and tank truck from the end of the line would suffer to the extent that they are now served from this pipe line. Our viewpoint is that the east coast petroleum products shortage is a problem which is common to all of the Atlantic Seaboard States, and our objective is to apportion the burden as equally as possible among them. The interstate carriers, such as the Plantation Pipeline cannot be called upon to serve any one State or section to the disadvantage of others.

Undoubtedly, you are aware of the critical shortage of fuel oil with which the east coast is now confronted. In this connection, I would like to point out that consideration is being given to using the Plantation Pipeline for transporting fuel oils. If this is done, it will no doubt greatly relieve the fuel oil situation, although it can then be expected that additional difficulties will arise in the transportation of motor fuels.

This Office wishes to emphasize that the motor-fuel restrictions which are now in effect are the result of the shortage of petroleum products brought about by the serious dislocation of transportation facilities and were not prompted by the need for conserving rubber. It is not the desire of this Office to restrict the consumption of petroleum products in those sections of the country in which supplies are adequate so long as unrestricted consumption is not inconsistent with other programs necessary for the successful prosecution of the war.

In view of the rubber shortage, it is our understanding that the interested agencies consider that Nation-wide gasoline rationing may become necessary as a means of conserving tires. The amount of scrap rubber which can be made available throughout the country will have a bearing upon the final decision. As you know, an intensive Nation-wide campaign to collect scrap rubber was launched on June 15. The oil industry has devoted virtually its entire sales personnel and the facilities of approximately 440,000 retail outlets in a determined effort to make this drive a success.

It is noted that in a recent exchange of correspondence between you and Mr. Henderson's Office, reference is made to the extension of the curtailment area beyond the western borders of North Carolina and Georgia. At the present time, such an amendment to Limitation Order L-70 is being considered but has not yet been approved. This amendment would set up a buffer zone to serve as a deterrent to motorists crossing the western border of the present east coast curtailment area to purchase unlimited supplies of motor fuel.

I hope that the foregoing statements will answer the questions you have presented. If I can be of further assistance, please let me know.

Sincerely yours,

PAUL A. BEST,
Assistant Director of Marketing.
Hon. BURNET R. MAYBANK,
United States Senate.

Mr. AIKEN. Mr. President, will the Senator from Georgia yield?

Mr. RUSSELL. I yield.

Mr. AIKEN. I thank the Senator for yielding to me. I find it little short of amazing that there are people living in any section of the United States who believe that the shortage of gas and oil in the 17 Eastern States, in zone No. 1, is a local matter. In these 17 States is one of the greatest industrial areas of the Nation, indeed, of the whole world. Here

is concentrated a large percentage of the population of our country. Here is an area so strategically located that it is intensively defended by our armed forces. Here is a region which consumes, in proportion to the area, more gas and oil than any other part of the United States. The people of these 17 Eastern States had every right to expect that they would receive gas and oil from the producing areas just as they had been doing. They had every reason to believe that our naval forces and our military forces were sufficient to protect adequately the usual means of transporting the oil from the western fields to the eastern consumers. But that was not the case. The transportation of the gas and oil has been interrupted, not through the fault of the people who live in zone No. 1, but because our forces did not prove to be sufficiently strong to protect the carriers. Therefore I think it is very definitely a national matter, one which should concern every State in the United States.

If the reasoning of the Senator from Kansas is carried far enough, then the people of the Eastern States should bear the entire expense of maintaining the coast defenses and the great airfields, and other war activities of equally vital importance.

I believe the Senator from Georgia is entirely right in his argument, and I think it should prevail.

Mr. RUSSELL. Mr. President, I appreciate the observation of the Senator from Vermont. I, too, disagree very strongly with the view expressed by the Senator from Kansas. I was struck by the illustration used by the Senator from South Carolina. Let bombing planes from our enemy forces make a shambles of the great city of Topeka or Wichita, Kans., would the Senator from Kansas stand on the floor and oppose the payment of any claim for destruction by war, as has been provided by legislation heretofore enacted by the Congress? I imagine that under such circumstances the Senator from Kansas would think that this is a national matter and that all of the States are in this war.

Certainly the people along the Atlantic seaboard have no more to do with the sinking of the ships and disruption of the ordinary means of transportation than have those of any other section. I have no hesitancy in saying that, in my opinion, it would be just as unfair to require the 17 seaboard States to defray new and additional costs incident to the war as for the Selective Service System to adopt a rule that no men shall be called to the colors under the Selective Service Act except those from States which are contiguous to the Mississippi River and its tributaries.

This is certainly a national war, one in which we must all stand or fall. The entire United States will either win the war or we will all go down together. It will not be a question of merely preserving Kansas while the rest of the Nation falls, nor will it be a war of the Atlantic seaboard States alone.

Mr. BALL. Mr. President, will the Senator from Georgia yield?

Mr. RUSSELL. I yield.

Mr. BALL. I agree with the Senator from Georgia that it is unfair to expect the eastern seaboard States to bear the extraordinary costs which are due entirely to the war, but it has occurred to me that subsidy is not the only means by which this necessary price increase may be spread over the entire United States.

I liked the Senator's amendment to the appropriation bill because it suggested an alternative. I was wondering whether, in his discussions with the O. P. A., or with Mr. Jones, any thought or consideration was given to the possibility of absorbing the increased transportation cost by a general price increase over the whole Nation.

Mr. RUSSELL. I am very happy the Senator from Minnesota has asked that question. The amendment, as drawn, did contemplate that the cost should be spread equitably over the entire United States. As a matter of fact, I do not hesitate to say that that was one of the objectives I had in mind when I prepared the amendment. I did not believe that any fair-minded Senator would object to every section of the Nation and every State bearing its proper share of all costs of the war effort.

I happen to know that a plan is under consideration which will provide for an additional tax, the proceeds of which will go into a special fund to defray losses and costs of this kind. It would be a tax matter, and naturally would have to be handled by the proper committee of this body.

I am heartily in accord with the position indicated in the remarks of the Senator from Minnesota. In my opinion, Congress should impose a tax on the commodity now under discussion applicable to the whole Nation which would insure that no section would be discriminated against in the matter of transportation of petroleum fuels which are essential in our everyday life, as well as to war production. Speaking only for myself, I should be happy to support a bill providing for such a tax. I think it would be wise to take such action, because we could raise the money now and defray the expenses, and when we come to the day of accounting after the war is over, we will be that much less in the red. I should be happy to support any proposal along that line.

Mr. BALL. It seems to me it would be more inflationary to pay a subsidy out of borrowed money than to raise it by a tax and pay it now.

Mr. RUSSELL. The Senator has well and succinctly stated the reasoning that brought me to my feet on the question.

Mr. DANAHER. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. DANAHER. There is only one difficulty with that particular reasoning, if the Senator will pardon a comment along that line. The Office of Price Administration does not fix a price; it fixes a maximum price level; and consequently there would be no authority in the Office of Price Administration, and there is none now, to fix a price on gasoline which would apply all over the country. For example, there is no price fixed in

the State of Kansas by order of the Office of Price Administration. Therefore, it would be a vain thing for the Office of Price Administration to say to anyone in Kansas, "We will allow you to charge an extra 2½ cents a gallon." That is why, Mr. President, there is no existing authority at the present time to fix a price. All that the Office of Price Administration may do is to fix a maximum.

The alternative, which is being overlooked, it seems to me by the Senator from Kansas and others, is this: If we desire to prescribe gasoline rationing on a Nation-wide basis so that everyone everywhere will be limited in the use of gasoline, and if all the facilities then available for transportation or now available, would then be available to distribute gasoline on a pro rata basis everywhere, there would not be so great an increase, and a disproportionate increase, as 2½ cents a gallon, roughly, bearing on the 17 presently rationed States. Consequently, if the Senator from Kansas wants to be fair about this question, there is no reason in the world why he should not ask unanimous consent to withdraw the amendment. There is no reason in the world why we should not apply gasoline rationing on a Nation-wide basis. That is the way in which the Senator from Kansas can apply his reasoning equally to the people of Kansas, as well as to the people of the East.

Mr. RUSSELL. I am glad to have the observations of the Senator from Connecticut.

Of course, the question is more or less moot, in view of what has occurred. I have heard the argument that it would be impossible to provide this pool by an over-all price increase. I had anticipated the objection being raised when this amendment was under consideration. It may be that the objection is valid, but we all know that if we had suspended the antitrust laws to the extent that we have done so by the creation of this pool, the oil companies of the Nation would have had no great difficulty, if the threat of prosecution had been removed, of effecting a price increase over the entire Nation.

Mr. DANAHER. Mr. President, if the Senator will yield, I merely wish to say that every car of gasoline which does not go into the State of Kansas is a tank car of gasoline which could go into Georgia, or into Connecticut.

Mr. RUSSELL. I am in hearty agreement with the Senator's statement.

Mr. TOBEY. Mr. President, I merely rise to propound a parliamentary inquiry. What is the parliamentary situation with respect to the request of the Senator from Georgia to withdraw his amendment?

The PRESIDING OFFICER. The situation is, that if there is no objection, the pending amendment will be disagreed to by unanimous consent.

Mr. GEORGE. Before the question is acted upon, I wish to make a statement.

I have been interested in this question from the beginning. In fact, I addressed the Senate at some considerable length before the increase of 2½ cents a gallon

in the price of gasoline in the seaboard States went into effect. I have been aware of the fact that an effort has been made to bring about a solution of the difficulty. The solution that is offered to the R. F. C. and its subsidiaries is not an altogether satisfactory one, but I think it is a step that will lead finally to a proper solution of the question, that is, it will lead finally to a Nation-wide rationing of gasoline, if it becomes necessary for any legitimate emergency purpose. It will lead also to the distribution of the cost of carrying oils and gasoline into the areas where they must be carried, in order to sustain the war effort, at the cost of all the people of the United States, at least of all of the consumers of petroleum products. So the method of approach made by Mr. Jones, for which I think he is to be commended, is not altogether satisfactory, in my opinion, but it will ultimately lead to the proper solution of the problem.

Of course, the problem might be and might have been handled by merely allowing the distributors of gasoline throughout the country to increase their prices. The real question arises because a maximum price has been fixed which, when we consider the actual cost of producing the product, plus the increased cost of transporting it, will not permit its movement into the seaboard States. That is the exact situation.

The Administrator of the O. P. A. is strongly insistent that none of the maximum prices be interfered with, or, as he puts it, be punctured, and I think everyone can agree that in that respect he is right, if he has first fixed the maximum price on a fair, just, equitable, and economic basis. He has fixed the maximum price of gasoline, however, all over the country. The same thing was done as to sugar. He did not allow for transportation costs in fixing the price, because it was fixed with reference to the whole area of the United States. There has been at all times plenty of sugar, and sugar would have moved into the areas where it was needed and desired if the price limitation fixed by the O. P. A. had permitted the fixing of additional costs of transportation.

By and large, the same thing is true of gasoline. But I think the solution which Mr. Jones and others have worked out under existing law, while not altogether a happy one, will necessarily force the Congress to deal with the problem as a national problem, and to spread the burden of carrying gasoline and oils not only into the homes, not only into the apartment houses and hotels, but into the factories where so much of our war production is now going on; in other words, to spread the burden upon all the people of the United States, and not merely place it upon the people in the eastern seaboard States.

Mr. President, when I first spoke on this question in the Senate I took the broad position that, so far as my State was concerned, there was actually no justification for restricting or rationing gasoline or petroleum products within the State, because we had means of getting those products in the State, and we could get them in at the same cost as

which we had been getting them in prior to the war, with the exception of the two Georgia ports, and the immediate vicinity of those ports, where the cost of transportation had, of course, increased.

I am still of the opinion that if it is necessary to ration gasoline for the purpose of conserving rubber, if it is imperative that that be done, the rationing should be on a Nation-wide basis. I am certain that if it is necessary to take gasoline out of Georgia, gasoline which we already have there, there is no fairness in making us pay the freight on that gasoline into some other States. That is like taking a man's possessions and saying, "Now you have to transport them to somebody else at your own cost."

The State of Georgia ought not to have been in district No. 1 so far as rationing is concerned, nor should the 2½ cents increase have been applied to Georgia. But the problem is here, whether Georgia should have been included or not, and the problem I think is approached by what Mr. Jones is attempting and will attempt to do. He has, in fact, as I understand, done substantially the same thing so far as coal is concerned. There is, of course, no objection to the withdrawal of the amendment which my colleague [Mr. RUSSELL] had offered to this particular bill, and by way of explanation of his motion to withdraw he simply has developed certain facts. I think it is very helpful that those facts be developed.

Mr. REED. Mr. President—

The PRESIDING OFFICER (Mr. DOWNEY in the chair). Does the Senator from Georgia yield to the Senator from Kansas?

Mr. GEORGE. I yield.

Mr. REED. I am sure the distinguished Senator from Georgia understands that I am in complete sympathy with his statement as to the situation in Georgia. I so expressed myself to the Senator's colleague the junior Senator from Georgia [Mr. RUSSELL]. I think Georgia has been badly treated. I think there was no occasion for including that State in the rationing program for the Atlantic seaboard States, and certainly there was no justification for raising the price of gasoline in Georgia, where the cost of transportation had not been increased. I am in complete sympathy with the Senator's position.

Mr. GEORGE. Yes; Mr. President, I understood the Senator from Kansas was not in disagreement with it. The Senator is quite right that Georgia has been badly treated, because today we are rationed to 50 percent of the normal supply of gasoline, while the same authority which placed that order on us is permitting the gas to be taken out of Georgia into unrestricted States. If the gasoline were all going into New England, or all going into New York, where it is needed, that would be another question, but actually permission is given to take gasoline out of Georgia and send it into other States where there is no restriction whatever. What has happened as a result has been the closing of substantially one-half of the distributing stations in the State, and, of course, a

vast injury has been done to the local economy of every community in the State.

Mr. REED. I may say to the Senator from Georgia that I do not blame him and his colleague and the people of Georgia for being indignant over the treatment they have received.

Mr. ANDREWS. Mr. President, I wish to endorse what the distinguished Senator from Georgia [Mr. GEORGE] has just said in regard to his State. Florida is in a similar situation, except, it seems to me, our situation is more deplorable, because we border on the Gulf of Mexico for nearly 1,000 miles, and we have little trouble in getting gasoline and petroleum products from the oil wells of Texas and of Louisiana, particularly by coastal barge-line transportation.

Mr. President, our people cannot understand why they should be rationed with respect to gasoline when we have ample supplies in our Gulf ports. Neither can they understand why they should pay the extra 2½ cents a gallon. In fact, I have letters from persons in Florida which show that they are paying from 3 to 5 cents a gallon more for gasoline in portions of Florida than they paid before the rationing program went into effect.

There is plenty of gasoline and oil in the Gulf ports of my State, but we are not allowed to use it nor to transport it to where it is needed. We are not even allowed to send it across to Georgia, and perhaps it never will go to the east coast until Congress takes some action upon the matter. We have been waiting on the Government for a long while to correct the situation which now exists in my State. The present unjust situation affects seriously economic and industrial conditions in Florida, because we are losing between a half million and a million dollars in revenue from that one source alone, revenue which is used to keep up the repairs on our highways and to conduct the schools of our State. I feel that something should be done to correct that unjust situation.

Mr. President, we know that the cost of transporting oil by railway from the oil fields of Texas to the eastern seaboard is about three times what the cost of transportation of oil was heretofore by sea-going oil tankers.

The extra cost of transportation by railway must be paid by some one; payment for the extra cost must be provided by some means. Unless some equitable means are provided, the consumers in the comparatively few rationed States must pay the freight. The consumers usually do. But it certainly is unfair that the State of Florida and the State of Georgia, which have now facilities for providing sufficient oil and gasoline for the requirements of their own people, should be taxed from 2 or 3 to 5 cents a gallon in order that a system of the kind now in operation may be perpetuated.

Mr. President, of course we feel a very deep interest in this whole matter. We feel sure a way will be found to alleviate the situation and to distribute the burden more equitably among the people of the United States as a whole.

Gasoline and oil must, if possible, be gotten in some way to the eastern seaboard this winter. Otherwise, the people in that section will suffer, not only through economic loss and by a decrease of revenue necessary to maintain public schools, but they will suffer from cold and illness by reason of shortage of fuel oil for heating purposes. Mr. President, the hour is coming, and it is not far distant, when blame will be placed on someone for not providing a proper system for transporting fuel oil and gasoline to the eastern seaboard and to the States which now are suffering and will continue to suffer from the lack thereof.

So far as I am concerned, I shall continue my efforts to have oil and gasoline supplied to the eastern seaboard States which are now suffering from a shortage. I think methods have been suggested in the Mansfield pipe-line-barge bill, whereby that desirable objective can be accomplished.

Mr. PEPPER. Mr. President, I wish to extend my congratulations personally and on behalf of the State of Florida to the junior Senator from Georgia [Mr. RUSSELL], and to the able senior Senator from Tennessee [Mr. McKELLAR], and the other Senators composing the membership of the Senate Committee on Appropriations for the great deed they have just consummated which distributes, fairly and justly, the burdens of the war. The method which has been worked out, whereby the Reconstruction Finance Corporation, on behalf of the whole country, will bear this expense, is eminently fair, and is a very sensible approach to the difficult problem.

Mr. President, it is seldom, if ever, that we have fought a democratic war, by which I mean a war based upon the democratic principle of equal rights to all and special privileges to none, or, the converse of it, equal burdens to all and special exemptions to none. The principle of selective service has fairly been applied to the selection of manpower. That is a democratic principle. We are now, more than has ever been the case in the Nation's history, applying that principle to the raising of revenue. The principle which I am sure will be observed by the Senate Finance Committee and the Congress in framing the new tax bill will be the principle of the equal distribution of the burden among the people according to ability to pay.

Today we have had another example of the application of a democratic principle. A burden which fell particularly upon some of the people has now been justly distributed to the shoulders of all the people. I hope that principle will be extended even further.

A few days ago the junior Senator from Florida introduced a bill to create, under the Reconstruction Finance Corporation, a subsidiary corporation, to be called the Distress War Finance Corporation. That bill was intended to apply the same principle in instances in which it is not now being applied. There are business casualties all over the country which are bearing unequally the burdens and hardships of the maladjustment of economic conditions which inevitably result from this war.

There is a school of thought in the country—and, unhappily, in the administrative agencies of the Government—which holds that such cases are only war casualties, that it is "just too bad" and, when they happen, by inference, that nothing can be done about the situation. Something can be done about it, Mr. President, unless the American spirit has come to embrace a philosophy of futility. Something was done today by effective legislative and administrative action about the gasoline burden which was imposed upon a particular segment of our people in one section of our country.

I realize that the Reconstruction Finance Corporation cannot go outside the scope of its authority under the law which governs its conduct and make a loan to a particular business. However, authority should be given to a Government corporation to meet the special hardship cases which are arising all over the country, and have already arisen in many thousands, yea, hundreds of thousands, of instances, involving individual firms, persons, or corporations—and I am speaking about small corporations—that have to bear a portion of the burden which is disproportionate to their obligation as citizens of this country.

So, Mr. President, before the hardship becomes too widespread, before too many casualties have fallen by the wayside, before too many capital structures have been depleted, before too many modest savings have been wiped out, before too many families have been broken up, before the burden of severe hardship shall perhaps blight not only the economic, but the actual lives of too many of our people, I hope that the principle of democratic distribution of the burdens of the war may be applied to all cases which are crying for the application of such a principle.

Mr. BYRD. Mr. President, a statement has been issued by Mr. Jesse Jones with respect to granting subsidies to the large oil companies, which will amount to an estimated \$20,000,000 a month, and will probably exceed that figure. My information is that such subsidies will amount to \$300,000,000 annually as a minimum. The statement is as follows:

JULY 15, 1942.

Jesse Jones, Secretary of Commerce, announced today that Defense Supplies Corporation, a subsidiary of the Reconstruction Finance Corporation, will assist in financing the transportation and distribution of petroleum products, in order that fuel oil and other petroleum products necessary to the war effort and to the civilian economy may, as far as possible, be made available this fall and winter in the States of the eastern seaboard. Unless the petroleum can be moved, obviously the necessary maximum production cannot be maintained and not only will the civilian population suffer from a lack of fuel oil to heat their homes this winter, but the great amount of war production in this section will be seriously retarded.

Submarine warfare has made it necessary to transport the oil by rail, truck, and pipe line rather than by tanker.

The question involved is whether Mr. Jones, acting in his capacity as Secretary of Commerce, had the right to make subsidy payments to the oil companies unless specifically authorized by law. We are

told that Mr. Jones acted under authority of the following provisions of law:

(3) When requested by the Federal Loan Administrator, with the approval of the President, to create or organize, at any time prior to July 1, 1943, a corporation or corporations, with power (a) to produce, acquire, carry, sell, or otherwise deal in strategic and critical materials as defined by the President; (b) to purchase and lease land, purchase, lease, build, and expand plants, and purchase and produce equipment, facilities, machinery, materials, and supplies for the manufacture of strategic and critical materials, arms, ammunition, and implements of war, any other articles, equipment, facilities, and supplies necessary to the national defense, and such other articles, equipment, supplies, and materials as may be required in the manufacture or use of any of the foregoing or otherwise necessary in connection therewith; (c) to lease, sell, or otherwise dispose of such land, plants, facilities, and machinery to others to engage in such manufacture; (d) to engage in such manufacture itself, if the President finds that it is necessary for a Government agency to engage in such manufacture; (e) to produce, lease, purchase, or otherwise acquire railroad equipment (including rolling stock), and commercial aircraft, and parts, equipment, facilities, and supplies necessary in connection with such railroad equipment and aircraft, and to lease, sell, or otherwise dispose of the same; (f) to purchase, lease, build, expand, or otherwise acquire facilities for the training of aviators and to operate or lease, sell, or otherwise dispose of such facilities to others to engage in such training; and (g) to take such other action as the President and the Federal Loan Administrator may deem necessary to expedite the national defense program, but the aggregate amount of the funds of the Reconstruction Finance Corporation which may be outstanding at any one time for carrying out this clause (g) shall not exceed \$200,000,000:

Mr. BONE. Mr. President, will the Senator yield?

Mr. BYRD. I yield.

Mr. BONE. Did the Senator indicate from what statute he was reading?

Mr. BYRD. I read from the Reconstruction Finance Corporation Act as amended.

Mr. President, as I read it, there is nothing in the Reconstruction Finance Corporation Act as amended which gives to Mr. Jones the right to assist in financing the transportation and distribution of petroleum products.

The question involved is whether this country is to embark on a gigantic plan of subsidies. This is the entering wedge. Congress alone should make the decision. If we are to take such a step, I think the Congress should first authorize it. Every expression of Congress up to this time has been to the effect that the Congress is opposed to subsidies. Thirty days ago a bill was presented to the Senate, and was sent back to the committee. The pending bill provides, by direct and unequivocal language, that—

No part of this appropriation shall be available directly or indirectly for making any subsidy payments.

The \$240,000,000, \$300,000,000, annually, or whatever it may be, is unquestionably a subsidy payment made to the large oil companies because of the increased cost of transportation by rail resulting from the fact that because of the submarine warfare tankers cannot be

used. It is not a question of getting gasoline or oil into the rationed area. The subsidy payment will not add one gallon of gasoline to the 17 rationed States. The oil companies are now being adequately paid by an increase of 2½ cents in the price of gasoline which goes into a pool which will aggregate approximately \$250,000,000.

I agree with the Senator from Minnesota. I agree with other Senators who have stated that the 17 States should not be singled out for an increase in the price of gasoline. The burden should be distributed throughout the country, but Mr. Jones should not pay subsidies unless directly authorized to do so.

Mr. President, I believe that there should be national rationing. If it is a question of saving tires and gasoline, rationing should be extended throughout the United States.

The point I wish to make is that Mr. Jones has no right to take a step which, in my judgment, inaugurates a great program of subsidies to all business enterprises throughout the country without the approval of Congress. Up to this date in each and every instance Congress has indicated its opposition to subsidies to business.

The Senator from Pennsylvania asked whether or not the oil companies should be compelled to pay the \$20,000,000 a month additional transportation charge. Mr. President, the oil companies are not paying it. It is not a question of the oil companies paying it. It is not a question of getting more gasoline into the rationed area. Therefore the proposal has no effect upon the war effort throughout the Nation.

Mr. President, I speak as the representative of a State which is affected by the increase of 2½ cents a gallon in the price of gasoline. Virginia is paying the increase in the price of gasoline. We are glad to get the gasoline. As a Senator from Virginia, I believe that the people of Virginia would much prefer to pay the 2½ cents additional rather than to initiate and give the tacit approval of the Congress to a plan of subsidies involving ultimately perhaps billions of dollars which must be borrowed.

Mr. President, I am not a lawyer; but I intend to ask Mr. Jones to cite specifically and definitely the law upon which he relied when he made the statement this morning that he would pay these subsidies out of the R. F. C. funds—out of the people's money to assist in financing the transportation and distribution of petroleum products.

Then, assuming that he asserts that he has such authority under the clause I have read, I intend to point out to him that the authority is limited by law to \$200,000,000, and that at the lowest estimate this proposal will cost \$250,000,000 yearly, and I think it will cost more. I understand he has incurred further commitments for other subsidies.

So, if these subsidies are to be continued, even though he contends that he has the authority—authority which Congress had no intention whatever of granting him when the law was passed—he has

disregarded the limit of \$200,000,000 which Congress imposed.

Furthermore, Mr. President, I intend to ask Mr. Jones—and if necessary I shall request that he be summoned before the appropriate committee of Congress—to state what other subsidies he has been paying without the approval of Congress. Today we have been told that for some time he has been paying subsidies for the transportation of coal. That has not been authorized by the Congress; and I think that on this vital question, which I believe is the opening step in a gigantic proposal to pay billions of dollars in subsidies, Congress should have the right and the opportunity to say whether it desires to have such subsidies paid.

For that reason, I intend to see to it that Mr. Jones reports to the Congress, if it is possible to have him do so—and I think it can be done—what action he has taken, what his future plans may be, and upon what authority of law he relies in making these great expenditures out of the Public Treasury.

Mr. WHITE. Mr. President, in the course of the discussion the question has been asked several times as to the authority to make subsidy payments. I am not at all satisfied that I can answer the question clearly and completely, but I can throw some light on it.

There has been a doubt in my mind whether the payment to compensate for the increased transportation costs because of shipment by railroad rather than by water was really the payment of a subsidy. Some months ago I became interested in that question, and I inquired of the Office of Price Administration precisely what its authority was for such compensatory adjustment payments. Under date of June 22, I received from the Office of Price Administration a letter, a portion of which I shall quote. What I shall read will not be a full or an accurate abridgment, but it will give the substance of what was written me and is all I want to have appear in the Record.

In answer to my question, the following answer came:

As you know, Compensatory Adjustment Regulation No. 1 is one part of a broader program, developed jointly by the War Shipping Administration, the Reconstruction Finance Corporation, and the Office of Price Administration.

Then omitting part of the letter, I read further, as follows:

The objective of the program is dual—to protect the Nation's price-stabilization program, which is indispensable to a full utilization of the Nation's economic resources in the present wartime emergency, and, at the same time, insure the uninterrupted flow of vital solid fuel to the important New England area.

That, of course, was what my question was specifically directed to—the authority to absorb and pay the increased freight charges for the movement of coal into New England.

I read further from the letter:

Pursuant to this program, the War Shipping Administration, on May 18, 1942, issued a schedule of marine transportation rates reflecting the normal charges during the period December 15–31, 1941, for tidewater transportation from Hampton Roads to New

York Harbor and New England ports. These rates apply to colliers operating under the jurisdiction of the War Shipping Administration, and represent drastic reductions from the steadily mounting charges which prevailed after the first of this year and up to May 18, 1942.

What I shall next quote is an attempt specifically to answer my question as to the legal authority:

Compensatory Adjustment Regulation No. 1 establishes a procedure under which receivers who are unable to obtain collier transportation may likewise be relieved of the burdens of increased coal transportation costs. The authority for this regulation rests upon sections 2 (e) and 302 (c) of the Emergency Price Control Act of 1942 and section 5 (d) of the Reconstruction Finance Corporation Act, as amended. The regulation was issued only after a definite undertaking by the Reconstruction Finance Corporation to underwrite the expense to the Government.

I do not have before me the Reconstruction Finance Corporation Act to which Mr. Henderson makes reference; but section 2 (e) of the act of January 30, 1942—that is, the act to prevent price dislocations, inflationary tendencies, and for other purposes—contains this language:

Whenever the Administrator determines that the maximum necessary production of any commodity is not being obtained or may not be obtained during the ensuing year, he may, on behalf of the United States, without regard to the provisions of law requiring competitive bidding, buy or sell at public or private sale.

Then it recites various other things he may do, and then comes this language:

Or make subsidy payments to domestic producers of such commodity in such amounts and in such manner and upon such terms and conditions as he determines.

That would seem to me to be authority to indulge in the payment of subsidy payments generally. As I have said, there has been a question in my mind whether the payment of the additional freight charges could be termed a subsidy payment to the producer of a commodity in the United States. As I said a moment ago, I do not have before me the Reconstruction Finance Corporation Act, but I have stated the specific references to statutes upon which Mr. Henderson apparently bases his authority.

I should like to say a word more while I am on my feet. The question has been asked, How is it possible to distinguish between what has happened in New England and the case of the added cost accruing to a producer because of the dislocations of the war? I do not know whether my view of the matter is correct, but it seems to me that there is a radical difference between the affirmative and direct action of the Government in removing from a section of the country the facilities which it has long enjoyed, taking them wholly away, and those dislocations and those added costs which come to a manufacturer through the vicissitudes of our business life as business is interrupted by the war. It seems to me that what has happened in New England when all the water transportation facilities have been removed from us is much the same as what

happens to a manufacturer whose physical plant is taken over by authority and action of the Government. I think no one would question that in the latter case there should be compensation to the owner of the facility taken from the owner by the act of Government; and I personally have felt that when the Government took the tankers out of our New England and North Atlantic trade, it did that which was comparable to the action of the Government in taking over a factory or any other facility. I feel that it is a gross injustice to leave upon the people of New England the great burden flowing from an act which is supposed to inure to the benefit of all the American people and the Government itself.

The tankers were taken off as a war step in an effort to provide for the demands of the war in many parts of the world. Why my State and why New England should alone bear the cost of that step is beyond my poor power to see.

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. WHITE. I yield.

Mr. VANDENBERG. I should like to ask the Senator to go a step further. What disturbs me is the direction rather than the length of the step which we are endorsing. The Senator says that if the Government disrupts the physical facilities of a manufacturer in connection with the war effort, the manufacturer should qualify similarly for subsidy reimbursement. Let us take the next step. What would the Senator say if the War Labor Board, without reference to any price-control legislation, were to increase the wage-scale of a given producer to a point at which he could not survive under the Price Administrator's ceiling? Is that not a comparable destruction of his facilities by act of Government, and does not the Senator find himself at that point required to concede a subsidy to him?

Mr. WHITE. I find myself very much disturbed by many possibilities which may arise. I do not know exactly where I should be willing to go. I am perfectly clear about the New England situation. I am not sure that there is not great merit in the suggestion—it is put in the form of a question, but I take it to be an assertion—of the Senator from Michigan. I do have the impression that under the act which I quoted, section 2 (e), there may be authority in the language of the present law to meet any situation which is created by the Government where the costs of manufacture or the conditions of manufacture other than costs have resulted in the failure to produce in the degree and at prices which the Government thinks are reasonable.

Mr. VANDENBERG. The ultimate scope of that obligation becomes positively fantastic in its magnitude, does it not?

Mr. WHITE. It becomes startling.

The PRESIDING OFFICER. If there is no objection, the pending amendment is disagreed to by unanimous consent.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its

reading clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6709) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1943, and for other purposes, and that the House had receded from its disagreement to the amendments of the Senate numbered 83, 85, and 86 to the bill, and concurred therein.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1694) for the relief of Mrs. Claud Tuck.

The message further announced that the House had severally agreed to the reports of the committees of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the following bills of the House:

H. R. 4370. An act for the relief of Charles L. Lair;

H. R. 5385. An act for the relief of Charles E. Yates and the Motor Facts Sales Co.; and

H. R. 5496. An act for the relief of Cecile McLaughlin.

The message also announced that the House had severally agreed to the reports of the committees of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the following bills of the House:

H. R. 4355. An act for the relief of Bella Cosgrove;

H. R. 5000. An act for the relief of Ferd W. Meile;

H. R. 5295. An act for the relief of the estate of Romano Emiliani; and

H. R. 5499. An act for the relief of Henry Daley, guardian of James Ray Daley and Norman Franklin Daley.

The message further announced that the House had severally agreed to the amendments of the Senate to the following bills and joint resolution of the House:

H. R. 5317. An act for the relief of Mrs. Jessie A. Beechwood;

H. R. 5794. An act for the relief of Mrs. Julia Johnson; and

H. J. Res. 318. Joint resolution to amend section 1700 (a) (1) of the Internal Revenue Code by exempting from tax the amount paid for admissions to theaters and other activities operated by the War Department or the Navy Department within posts, camps, reservations, and other areas maintained by the Military or Naval Establishment.

The message also announced that the House had severally agreed to the amendments of the Senate to the following bills of the House:

H. R. 3173. An act to extend the benefits of the Employees' Compensation Act of September 7, 1916, to Mrs. Charles O. DeFord;

H. R. 6077. An act for the relief of Edward P. Reilly; and

H. R. 7242. An act to authorize temporary appointments in the Army of the United States of officers on duty with the Medical Administrative Corps.

The message further announced that the House had passed a bill (H. R. 6670) to provide for an irrigation and water utilization project on the island of Molokai, T. H., in which it requested the concurrence of the Senate.

HOUSE BILL REFERRED

The bill (H. R. 6670) to provide for an irrigation and water utilization project on the island of Molokai, T. H., was read twice by its title and referred to the Committee on Territories and Insular Affairs.

FIRST SUPPLEMENTAL NATIONAL DEFENSE APPROPRIATIONS

The Senate resumed the consideration of the bill (H. R. 7319) making supplemental appropriations for the national defense for the fiscal year ending June 30, 1943, and for other purposes.

Mr. McKELLAR. Mr. President—

Mr. GURNEY. Mr. President, will the Senator yield to me for the purpose of suggesting the absence of a quorum?

Mr. McKELLAR. Yes; perhaps it would be well to have a quorum call.

Mr. GURNEY. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	George	Radcliffe
Andrews	Gerry	Reed
Bailey	Gillette	Reynolds
Ball	Green	Rosier
Barkley	Guffey	Russell
Bilbo	Gurney	Schwartz
Bone	Hatch	Spencer
Bridges	Hayden	Thomas, Idaho
Brooks	Johnson, Calif.	Thomas, Okla.
Burton	Lea	Thomas, Utah
Byrd	Lucas	Tobey
Caraway	McKellar	Tydings
Chandler	McNary	Vandenberg
Chavez	Maloney	Van Nuys
Clark, Idaho	Maybank	Wagner
Clark, Mo.	Mead	White
Connally	Norris	Wiley
Danaher	Nye	Willis
Downey	O'Mahoney	
Ellender	Pepper	

The PRESIDING OFFICER (Mr. VANDENBERG in the chair). Fifty-eight Senators having answered to their names, a quorum is present.

AGRICULTURAL DEPARTMENT APPROPRIATIONS—CONFERENCE REPORT

Mr. RUSSELL submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on certain amendments of the Senate to the Bill (H. R. 6709) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1943, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendment numbered 97.

That the House recede from its disagreement to the amendment of the Senate numbered 81; and agree to the same.

Amendment numbered 90: That the House recede from its disagreement to the amendment of the Senate numbered 90, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert: "\$1,625,000"; and the Senate agree to the same.

Amendment numbered 91: That the House recede from its disagreement to the amendment of the Senate numbered 91, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert: "\$32,500,000"; and the Senate agree to the same.

Amendment numbered 93: That the House recede from its disagreement to the amendment of the Senate numbered 93, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert: "\$3,716,182"; and the Senate agree to the same.

Amendment numbered 95: That the House recede from its disagreement to the amendment of the Senate numbered 95, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert: "\$37,819,557"; and the Senate agree to the same.

Amendment numbered 96: That the House recede from its disagreement to the amendment of the Senate numbered 96, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert: "\$97,500,000"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 83, 85, and 86.

RICHARD B. RUSSELL,
CARL HAYDEN,
M. E. TYDINGS,
J. H. BANKHEAD,
GERALD P. NYE,
CHAS. L. McNARY,

Managers on the part of the Senate.

M. C. TARVER,
CLARENCE CANNON,
D. D. TERRY,
EVERETT M. DIRKSEN,
CHARLES A. PLUMLEY,

Managers on the part of the House.

Mr. RUSSELL. Mr. President, I am very happy to report to the Senate that this is the last legislative process in the consideration of the agricultural appropriation bill, and that we have finally been able to work out a bill.

Mr. McNARY. I assume the House receded from the provision inserted by the Senate providing for the sale of not more than 125,000,000 bushels of wheat for feed purposes and that no sales should be made at less than 85 percent of parity in the case of corn.

Mr. RUSSELL. Mr. President, the message which has just come from the House advises the Senate that the House has receded from its disagreement, and has adopted the Senate amendment which has been known as the feed wheat amendment. It prohibited the sale of grain for feed at less than 85 percent of the amount of corn parity.

Mr. McNARY. That closes the incident, then?

Mr. RUSSELL. It will be closed when the Senate agrees to the conference report on the other items which were in disagreement. There were four other items in disagreement which are embraced within the conference report. One was the Senate amendment which stipulated that the soil-conservation payments should be taken into account in determining whether or not a farmer had received parity for a basic commodity. The House receded on that amendment.

The conference report also embraces the appropriations for the Farm Security Administration. The House figure for the tenant loan was \$25,000,000, and the Senate figure was \$40,000,000. In the conference report the difference between the two Houses was equally divided, and the appropriation for both loans was therefore \$32,500,000.

In the case of the item for rural rehabilitation loans and grants, and administrative expenses, the House figure for grants and administration was slightly above \$25,000,000, and the Senate figure was slightly above \$50,000,000. The amount finally determined was \$37,000,000, the same rule having been observed

in reaching an agreement between the two Houses.

The amount available for loans for rural rehabilitation in the bill as it passed the House was \$70,000,000, and the Senate figure was \$125,000,000. That difference was also divided, and the amount, as set forth in the conference report, is \$97,500,000.

I should like to say, with respect to the appropriations for the Farm Security Administration, that in the event it should develop that there are not sufficient funds available to carry on the program of increased farm production promoted by the Department of Agriculture, and on which the President has insisted, the President will be at liberty, of course, to send in additional estimates to be considered in supplemental or deficiency bills.

The remaining amendment in disagreement was inserted by the Senate to empower the Farm Security Administration to liquidate certain projects which had grown out of the acquisition by the Government of large areas of land for military reservations. At the request of the War Department the Farm Security Administration was undertaking to resettle and rehabilitate the farmers who, in some instances, were driven off their lands by virtue of the demands of the War Department for large areas to be used for military camps, maneuvers, firing ranges, and air bases.

The Senate committee amendment would have permitted the liquidation of those projects which had already been undertaken. The Comptroller ruled that the Farm Security Administration was without authority to carry on activities of that nature, and the House had forbidden liquidation of those projects. The Senate conferees insisted on the Senate amendment, because it seemed to us that the sensible legislative procedure would be to permit liquidation to be carried on in order that we might avoid the hundreds of claims, claim bills, and suits against the Government, which would entail large expenses, which in our opinion would be unnecessary. However, to arrive at a final agreement the Senate conferees reluctantly yielded on the amendment.

The amendment relating to the sale of a limited amount of wheat for feed at a price not below 85 percent of parity, and of other grains for feeding purposes, was adopted by the House by a vote today.

I am very happy that upon the adoption of this report these very highly controversial questions will be removed from consideration by the two legislative bodies.

Mr. CHANDLER. Will the Senator yield?

Mr. RUSSELL. I yield.

Mr. CHANDLER. Will the Senator give us information concerning the families in those areas in which property has been acquired by the Government for camps? There is one, for example, near Fort Knox, where many families have been forced to move because the Government required their land. Was consideration given what should be done to relieve situations of that kind?

Mr. RUSSELL. I understand that the War Department is attempting to deal with it, but in my opinion it is not being dealt with effectively. I believe legislation should be enacted to provide for these people, who are as much casualties of war as if they were stricken on the field of battle.

Mr. CHANDLER. I thank the Senator. The situation should be dealt with immediately because in some instances that I know of the Government has taken the property of the farmers and in others have acquired property around them and isolated them. In some instances it has taken away their access to public highways, and there is some distress in some of these areas that should be alleviated. They have let the Government have their property without protest. In many places, as the Senator knows, the farmers have been forced to give up their present crops, and future prospects of crops, and move to other places.

I wish to express to the Senator my appreciation for the attention he has given to the problem. If the Senate amendment had been agreed to in the conference I am sure it would have gone a long way toward meeting a situation which is urgent and desperate, and needs to be corrected.

Mr. RUSSELL. The Senator is undoubtedly correct. In some instances these people and their families had lived in particular areas for four or five generations. They knew nothing about farm conditions obtaining elsewhere, how to obtain a farm or how to grow a crop in any other section of the country. The very least the Government can do, in order to deal justly with them when it has called upon them to give up their lands, or, in case of a tenant farmer, to move into new and strange surroundings, is to give them some small loans and some measure of guidance in order to enable them to pick up and carry on and earn a livelihood.

The PRESIDING OFFICER. Is there objection to the present consideration of the conference report? The Chair hears none, and the question is on agreeing to the report.

The report was agreed to.

FIRST SUPPLEMENTAL NATIONAL DEFENSE APPROPRIATIONS

The Senate resumed the consideration of the bill (H. R. 7319) making supplemental appropriations for the national defense for the fiscal year ending June 30, 1943, and for other purposes.

The PRESIDING OFFICER. The next committee amendment passed over will be stated.

The CHIEF CLERK. On page 11, line 2, after "\$7,447,075", it is proposed to add the following proviso: "Provided, That no part of this appropriation shall be available to pay the salary of any person at the rate of \$4,500 per annum or more unless such person shall have been appointed by the President, by and with the advice and consent of the Senate."

Mr. DANAHER. Mr. President, will the Senator from Tennessee yield?

Mr. McKELLAR. I yield.

Mr. DANAHER. I offer an amendment to the committee amendment in line 3 on page 11, after the word "shall", to insert the word "hereafter."

Mr. McKELLAR. Mr. President, I ask the Senator from Connecticut if the same effect would not be accomplished by striking out in line 5 the words "have been", and inserting in lieu thereof the word "be"?

Mr. DANAHER. Mr. President, my opinion would be to the contrary. I fear that a ruling could be had from the Comptroller General, or whoever would pass on such an account, to the effect that the words "shall be" might conceivably be retroactive, commencing as the clause does with the word "unless." I therefore believe, Mr. President, that in order to carry out what I think is the intended objective of the proposed amendment it would better conform to English standards to modify the language by inserting the word "hereafter" in line 3.

Mr. McKELLAR. I have no objection to that at all.

Mr. BARKLEY. Mr. President, before that is done, I think it ought to be stated that we have been trying to compose some of our differences with regard to these controversial amendments. While the amendment suggested by the Senator is preferable to the present language, I am hoping that the entire provision will be eliminated as to the O. P. A., and, if that can be done, it will be unnecessary to amend the provision. I think, as a matter of fact, that the language offered by—

Mr. McKELLAR. Mr. President, this amendment does not affect the Office of Price Administration; it is the amendment relating to the Office of Civilian Defense. That amendment can be perfected at this time.

Mr. BARKLEY. I have no objection to that.

Mr. McKELLAR. Mr. President, I should like to make a statement at this time. This afternoon an effort has been made on the part of some of us to see if we could not reach an accord with respect to the four committee amendments which were passed over yesterday. The first of these is on page 11, and the Senator from Kentucky has very agreeably consented to leave that amendment in the bill, with the word "hereafter" inserted after the word "be" in line 3, so the language will apply to future appointments. Has that amendment been perfected, Mr. President?

The PRESIDING OFFICER (Mr. SPENCER in the chair). No; it has not been as yet.

Mr. McKELLAR. Very well, it can be left as it is for the present.

Again, under the heading of "Office of Price Administration," on page 22, line 7, it has been agreed by those who have been discussing the matter that the amount of \$120,000,000 be increased to \$125,000,000.

Under the same heading, with respect to the language inserted by the committee on page 24, comes the third agreement, and I shall read the proposed amendment as agreed to. It is proposed

to insert in place of the committee amendment, on page 22, the following:

Provided further, That no part of this appropriation shall be used to enforce any maximum price or prices on any agricultural commodity or any commodity processed or manufactured in whole or substantial part from any agricultural commodity unless and until (1) the Secretary of Agriculture has determined and published for such agricultural commodity the prices specified in section 3 (a) of the Emergency Price Control Act of 1942; (2) in case of a comparable price for such agricultural commodity, the Secretary of Agriculture has held public hearings and determined and published such comparable price in the manner prescribed by section 3 (b) of said act; and (3) the Secretary of Agriculture has determined after investigation and proclaimed that the maximum price or prices so established on any such agricultural commodity will reflect to the producer of such agricultural commodity a price in conformity with section 3 (c) of said act.

Mr. McKELLAR. That is the third agreement. A fourth agreement has been had with respect to the amendment found on page——

Mr. McNARY. Mr. President, before we go to the fourth one, let me say that we are not yet through with the third one by any means.

Mr. McKELLAR. Very well.

Mr. VANDENBERG. We are not yet through with the first one.

Mr. McNARY. The Senator from Tennessee says an agreement has been reached. With whom the agreement has been reached I do not know. I know that no agreement has been reached with the Senate on that proposition.

Mr. McKELLAR. Mr. President, I shall be very glad to state what I know about the matter. Yesterday or day before yesterday the Senator from Kentucky [Mr. BARKLEY] asked that these four amendments go over, and they went over. Today the Senator from Arizona [Mr. HAYDEN], the Senator from Wyoming [Mr. O'MAHONEY], the Senator from New Mexico [Mr. CHAVEZ], the Senator from North Dakota [Mr. NYEL], and a number of other Senators who are members of the Committee on Appropriations, met with the Senator from Kentucky [Mr. BARKLEY], and we have adjusted the difficulties with the Senator from Kentucky, but not with any other Senator. That is the situation.

Mr. McNARY. Mr. President, that is a very different situation. If the Senators mentioned have agreed with the distinguished leader, with whom I always try to agree, and occasionally do, I am very happy about it. But there has been no agreement with the minority leader with respect to this matter.

Mr. McKELLAR. No; there has not been.

The fourth agreement is with respect to the language of the committee amendment on page 25, lines 11 to 15, which reads as follows:

Provided further, That no part of this appropriation shall be available to pay the salary of any person at the rate of \$4,500 per annum or more unless such person shall have been appointed by the President, by and with the advice and consent of the Senate.

That language under the agreement with the Senate majority leader, the Sen-

ator from Kentucky [Mr. BARKLEY], is to be eliminated. The reason for its elimination is so there shall be no politics in connection with price control, and it is claimed by the price-fixing authority that that language would inject politics.

Mr. President, I have said all I want to say, and I submit the amendments for the Senate's consideration.

Mr. DANAHER. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. DANAHER. I had earlier suggested a proposed amendment to the committee amendment, in line 3, on page 11. In view of the discussion which has ensued I shall withdraw that proposed amendment to the committee amendment.

The PRESIDING OFFICER. The Senator from Connecticut withdraws his proposed amendment to the committee amendment.

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. VANDENBERG. I am trying to discover precisely what is to happen with the amendment at the top of page 11. Do I understand that under the agreement this amendment is to be deleted?

Mr. McKELLAR. No, Mr. President, that amendment is to be agreed to, with an amendment to it which will make the language apply to the future. The Senator from Connecticut [Mr. DANAHER] has withdrawn his proposed amendment to the committee amendment, which was in line 3, page 11, to insert the word "hereafter", after the word "shall." Therefore I ask that the words "have been", in line 5 to be stricken, and that the word "be" be inserted in place thereof, so as to provide that appointments to the Office of Civilian Defense in the future shall be confirmed by the Senate.

Mr. VANDENBERG. I submit a point of order, Mr. President, and inquire whether the proposed amendment to the committee amendment would not turn it into a legislative proposition, and be contrary to the rule?

Mr. BARKLEY. Mr. President, in that connection, let me suggest to the Senator from Michigan and also to the Chair that the language to which this amendment is offered is a limitation on an appropriation. It comes in the nature of an amendment by the committee. Of course, it is subject to amendment itself. It would not be in order as an original legislative proposition, but in view of the fact that it comes by way of an amendment by the committee as a limitation on the expenditure of an appropriation, the amendment itself is subject to amendment also.

Mr. VANDENBERG. I thank the Senator from Kentucky for ruling on my point of order. I now turn to the Chair, and ask for the Chair's ruling.

The PRESIDING OFFICER (Mr. SPENCER in the chair). The Chair rules that it would be a limitation on the appropriation, and that the amendment is in order.

Mr. VANDENBERG. I now ask for the yeas and nays on the amendment.

Mr. BARKLEY. Mr. President, will the Senator from Tennessee yield further?

Mr. McKELLAR. I yield.

Mr. BARKLEY. May I ask which amendment it is with respect to which the Senator from Michigan asks for the yeas and nays?

Mr. VANDENBERG. I ask for the yeas and nays on the amended amendment.

Mr. McKELLAR. Mr. President, the committee amendment has not been amended as yet. Will the Senator from Michigan permit me to perfect the amendment?

Mr. McNARY. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. McNARY. I very seriously object to this procedure. Let these amendments come up in their order and be discussed. The able Senator in charge of the bill has no right to compromise with anyone but himself. I am not objecting to that. I insist that we follow the regular order; that the Senate take these amendments up and discuss them. I desire to discuss one amendment with respect to which I am told a compromise has been made. I have not made a compromise with respect to it. I wish to have the amendment stated. It has not yet been stated. We have not yet reached it.

Mr. McKELLAR. We have reached it now.

Mr. McNARY. Let the amendment be stated at the desk.

The PRESIDING OFFICER. The question is on the committee amendment on page 11, which has already been stated.

Mr. McNARY. Let it be stated again by the clerk.

Mr. McKELLAR. It will do no harm to have it stated again.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 11, in line 5 of the committee amendment it is proposed to strike out the words "have been" and to insert in lieu thereof the word "be."

The PRESIDING OFFICER. The question is on agreeing to the amendment proposed by the Senator from Tennessee [Mr. McKELLAR] to the committee amendment.

The amendment to the amendment was agreed to.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment as amended.

Mr. VANDENBERG. I ask for the yeas and nays.

Mr. CLARK of Missouri. Mr. President, was not the last vote on the committee amendment?

The PRESIDING OFFICER. The last vote was on the amendment of the Senator from Tennessee to the committee amendment.

Mr. VANDENBERG. I ask for the yeas and nays on the committee amendment as amended.

The yeas and nays were ordered.

Mr. BARKLEY. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answers to their names:

Aiken	Ellender	O'Mahoney
Andrews	George	Pepper
Bailey	Gerry	Radcliffe
Ball	Gillette	Reynolds
Barkley	Green	Rosier
Bilbo	Guffey	Russell
Bone	Gurney	Schwartz
Bridges	Hayden	Spencer
Brooks	Johnson, Calif.	Thomas, Idaho
Burton	Lee	Thomas, Okla.
Byrd	Lucas	Thomas, Utah
Caraway	McKellar	Tobey
Chandler	McNary	Tydings
Clark, Idaho	Maloney	Vandenberg
Clark, Mo.	Maybank	Van Nuys
Connally	Mead	White
Danaher	Norris	Willis
Downey	Nye	

The PRESIDING OFFICER. Fifty-four Senators have answered to their names. A quorum is present.

The question is on agreeing to the committee amendment, as amended, on page 11, beginning in line 2. On this question the yeas and nays have been demanded and ordered, and the clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. WHITE (when Mr. BREWSTER's name was called). I announce the unavoidable absence from the city of my colleague the junior Senator from Maine [Mr. BREWSTER]. He is engaged elsewhere on the work of the Truman committee.

Mr. CHANDLER (when his name was called). I have a general pair with the senior Senator from Pennsylvania [Mr. DAVIS]. I transfer that pair to the senior Senator from New Jersey [Mr. SMATHERS] and will vote. I vote "yea."

Mr. MCKELLAR (when Mr. GLASS' name was called). The senior Senator from Virginia [Mr. GLASS] is unavoidably absent because of illness. If present, he would vote "yea."

Mr. REED (when his name was called). I have a general pair with the senior Senator from New York [Mr. WAGNER]. Not knowing how he would vote on this question, I withhold my vote.

Mr. MCKELLAR (when Mr. STEWART's name was called). My colleague the junior Senator from Tennessee [Mr. STEWART] is unavoidably absent on important public business. If he were present, he would vote "yea."

Mr. McNARY (when Mr. TAFT's name was called). The senior Senator from Ohio [Mr. TAFT] is necessarily absent. If present, he would vote "nay."

Mr. VAN NUYS (when his name was called). I have a general pair with the senior Senator from Vermont [Mr. AUSTIN]. I transfer that pair to the senior Senator from Delaware [Mr. HUGHES] and will vote. I vote "yea."

The roll call was concluded.

Mr. McNARY (after having voted in the negative). I have a general pair with the junior Senator from Mississippi [Mr. DOXEY]. I transfer that pair to the senior Senator from Ohio [Mr. TAFT], and let my vote stand.

Mr. BARKLEY. I announce that the Senator from Delaware [Mr. TUNNELL] is absent attending the funeral of the late ex-Senator Bayard, of Delaware.

The Senator from Delaware [Mr. HUGHES] is absent from the Senate because of illness.

The Senators from New Mexico [Mr. CHAVEZ and Mr. HATCH] are detained on business in one of the Government Departments. I am advised that if present and voting, Mr. CHAVEZ would vote "yea."

The Senator from West Virginia [Mr. KILGORE], the Senator from Missouri [Mr. TRUMAN], and the Senator from Washington [Mr. WALLGREN] are members of the Committee to Investigate National Defense, and are, therefore, necessarily absent.

The Senators from Alabama [Mr. BANKHEAD and Mr. HILL], the Senator from Michigan [Mr. BROWN], the Senator from South Dakota [Mr. BULOW], the Senators from Nevada [Mr. BUNKER and Mr. McCARRAN], the Senator from Mississippi [Mr. DOXEY], the Senator from Iowa [Mr. HERRING], the Senator from Colorado [Mr. JOHNSON], the Senator from Arizona [Mr. McFARLAND], the Senator from Utah [Mr. MURDOCK], the Senators from Montana [Mr. MURRAY and Mr. WHEELER], the Senator from Texas [Mr. O'DANIEL], the Senator from Louisiana [Mr. OVERTON], the Senator from New Jersey [Mr. SMATHERS], the Senator from South Carolina [Mr. SMITH], the Senator from New York [Mr. WAGNER], and the Senator from Massachusetts [Mr. WALSH] are necessarily absent.

Mr. McNARY. I announce that my colleague the Senator from Oregon [Mr. HOLMAN] has a general pair with the Senator from Tennessee [Mr. STEWART].

The Senator from Massachusetts [Mr. LODGE] has a general pair with the Senator from Virginia [Mr. GLASS].

The Senator from Minnesota [Mr. SHIPSTEAD], who is necessarily absent, would vote "nay."

The Senator from Vermont [Mr. AUSTIN], the Senator from New Jersey [Mr. BARBOUR], the Senator from Nebraska [Mr. BUTLER], the Senator from Kansas [Mr. CAPPER], the Senator from Pennsylvania [Mr. DAVIS], the Senator from North Dakota [Mr. LANGER], and the Senator from Colorado [Mr. MILLIKIN] are necessarily absent.

The result was announced—yeas 31, nays 23, as follows:

YEAS—31

Andrews	Ellender	Maybank
Bailey	George	O'Mahoney
Barkley	Gerry	Reynolds
Bilbo	Gillette	Rosier
Bone	Green	Spencer
Byrd	Guffey	Thomas, Okla.
Caraway	Hayden	Thomas, Utah
Chandler	Johnson, Calif.	Tydings
Clark, Idaho	Lee	Van Nuys
Connally	McKellar	
Downey	Maloney	

NAYS—23

Aiken	Lucas	Schwartz
Ball	McNary	Thomas, Idaho
Bridges	Mead	Tobey
Brooks	Norris	Vandenberg
Burton	Nye	White
Clark, Mo.	Pepper	Willis
Danaher	Radcliffe	
Gurney	Russell	

NOT VOTING—42

Austin	Bunker	Glass
Bankhead	Butler	Hatch
Barbour	Capper	Herring
Brewster	Chavez	Hill
Brown	Davis	Holman
Bulow	Doxey	Hughes

Johnson, Colo.	Murdock	Stewart
Kilgore	Murray	Taft
La Follette	O'Daniel	Truman
Langer	Overtton	Tunnell
Lodge	Reed	Wagner
McCarran	Shipstead	Wallgren
McFarland	Smathers	Walsh
Millikin	Smith	Wheeler

So the committee amendment as amended was agreed to.

Mr. RUSSELL. Mr. President, I was called from the floor and was not present when the roll call began on the amendment which has just been voted upon. I wish to state for the RECORD that I voted "nay" on the amendment, not because I do not believe that the Senate is wholly justified in asserting its constitutional power by requiring confirmation of these officials, but because I do not believe in making fish of one agency of the Government and fowl of another.

After I returned to the floor, I understood it had been agreed that the amendment as it relates to the Office of Price Administration would not be insisted upon. Certainly, it would not be consistent for me to vote to require the confirmation of the small number of persons who would be affected in the Office of Civilian Defense and the other small agencies of Government and not apply the same rule to corresponding employees of the Office of Price Administration.

I was perfectly willing to vote for a general proviso at the end of the bill to require that the names of all employees within the designated classification come before the Senate for confirmation; but I could not subscribe to any policy of releasing the members of one group from such a requirement and requiring the members of others to be confirmed by the Senate. For that reason, I shall vote "nay" on all these amendments.

Mr. MCKELLAR. Mr. President, the next amendment is to be found on page 22, in line 7. I offer an amendment to the amendment: To strike out "\$120,000,000", and insert "\$125,000,000."

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Tennessee to the committee amendment on page 22, in line 7.

The amendment to the amendment was agreed to.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment as amended.

The amendment as amended was agreed to.

Mr. MCKELLAR. I propose the same amendment to the committee amendment in line 19, on the same page: To strike out "\$120,000,000", and insert "\$125,000,000."

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Tennessee to the committee amendment on page 22, line 19.

The amendment to the amendment was agreed to.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment as amended.

The amendment as amended was agreed to.

Mr. MCKELLAR. Mr. President, I will ask the clerk to read the next amend-

ment, so that it may be understood by the Senate.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 23, line 23, after the word "indirectly", it is proposed by the committee to strike out: "nor to prevent the furnishing in confidence to other executive agencies of the Federal Government such data and information as may be useful to them in the performance of their duties."

Mr. McNARY. Mr. President, I thought I was following the bill—

Mr. McKELLAR. That amendment is on page 23.

Mr. McNARY. The clerk has read the words proposed to be stricken out?

Mr. McKELLAR. Yes; the words proposed to be stricken out, beginning in line 23, page 23, and three words in line 1, page 24.

The PRESIDING OFFICER. The question is on agreeing to the amendment which has just been stated.

The amendment was agreed to.

The PRESIDING OFFICER. The clerk will state the next amendment.

The CHIEF CLERK. Mr. McKELLAR offers the following amendment as a substitute—

Mr. McKELLAR. Mr. President, the first proviso of the committee amendment at the top of page 24 should be read.

Mr. BARKLEY. Mr. President, the entire committee amendment should be read.

The PRESIDING OFFICER. The clerk will state the amendment reported by the committee.

The CHIEF CLERK. On page 24, line 1, after the word "duties", it is proposed by the committee to insert "*Provided further*, That no part of this appropriation shall be available directly or indirectly for making any subsidy payments: *Provided further*, That no part of this appropriation shall be used to enforce any maximum price or prices on any agricultural commodity or any commodity processed or manufactured in whole or substantial part from any agricultural commodity unless and until (1) the Secretary of Agriculture has determined and published for such agricultural commodity the prices specified in section 3 (a) of the Emergency Price Control Act of 1942 and has redetermined and republished any such parity or comparable price after the first such determination and publication; (2) in case of a comparable price for such agricultural commodity, the Secretary of Agriculture has held public hearings and determined and published such comparable price in the manner prescribed by section 3 (b) of said act; and (3) the Secretary of Agriculture has determined after investigation and proclaimed that the maximum price or prices so established on any such agricultural commodity or any such product thereof will reflect to the producer of such agricultural commodity a price in conformity with section 3 (c) of said act: *Provided further*, That no part of this appropriation shall be used for paying any administrative expenses incurred in connection with, or for paying the compensation of any officer or employee who

renders services in connection with or gives his approval to any order, regulation, or requirement (1) under which any contiguous region or territory, within which hardwood lumber of substantially the same kind and quality is produced, is divided into different areas or regions for the purpose of fixing maximum prices for such lumber, or (2) which fixes maximum prices for hardwood lumber produced in any part of any contiguous region or territory which are different from the maximum prices fixed for hardwood lumber of substantially the same kind and quality produced in other parts of such region or territory: *Provided further*, That no part of this appropriation shall be available to pay the salary of any person at the rate of \$4,500 per annum or more unless such person shall have been appointed by the President, by and with the advice and consent of the Senate."

Mr. McKELLAR and Mr. CLARK of Missouri addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Tennessee yield to the Senator from Missouri?

Mr. CLARK of Missouri. Mr. President, I wanted the floor in my own right. I ask for a division of the amendment, under the provisions of rule XVIII.

Mr. McKELLAR. I am perfectly willing that that shall be done.

Mr. McNARY. Mr. President, I was going to insist upon a like segregation under the rule. There are three provisos in the amendment, and each comprehends a slightly different subject matter.

Mr. McKELLAR. Each proviso does comprehend a somewhat different subject matter.

Mr. BARKLEY. Mr. President, we had a general understanding a few days ago that the committee amendment which is reported as one amendment should be separated into its different component parts.

Mr. McKELLAR. Mr. President, the first proviso is at the top of page 24, line 1, down to the word "payments" in line 3. I ask that that amendment be voted upon first.

The PRESIDING OFFICER. The question is on agreeing to the first branch of the committee amendment as stated by the Senator from Tennessee.

The first branch of the amendment was agreed to.

Mr. McKELLAR. Mr. President, in the next proviso on page 24 there is certain language in lines 10, 11, 12, and 13 which I desire to move to amend. I move to strike out, in line 10, page 24, after the numerals "1942", down to and including the word "publication", in line 13, page 24.

Mr. McNARY. Mr. President, may we not have the amendment stated by the clerk?

The PRESIDING OFFICER. The amendment offered by the Senator from Tennessee to the amendment reported by the committee will be stated.

The CHIEF CLERK. In the committee amendment, on page 24, line 10, after the numerals "1942," it is proposed to strike out "and has redetermined and republished any such parity or comparable

price after the first such determination and publication."

Mr. McKELLAR. Mr. President, I ask for a vote on the motion to strike out.

Mr. McNARY. Mr. President, I have conferred with some of the representatives of farm organizations, and I can state it is perfectly agreeable that that language be eliminated from the bill.

Mr. BARKLEY. Mr. President, in that connection, I should like to make a brief statement. The provision reported by the committee went further than the existing law on the subject. I am informed it was not the intention of the committee to do more than reiterate and restate the law as it is contained in the original Price Control Act of 1942.

Mr. McKELLAR. That is correct.

Mr. BARKLEY. The committee amendment goes further than that, and the effect of the amendment offered by the Senator from Tennessee to the committee amendment, and of another amendment which he will offer, will be to restrict the committee amendment to a restatement and reiteration of the law as it is in the Price Control Act. Personally, I have felt that it was not necessary to restate the law, but inasmuch as the amendment is now being confined to that, I see no serious objection to it, and I hope the amendment will be agreed to.

Mr. O'MAHONEY. Mr. President, in order that this matter may be perfectly clear, let me ask the Senator from Kentucky if it is not his understanding that by the amendment now pending and by the amendment which the Senator from Tennessee is about to propose, to strike out the words "or any such product thereof," in lines 19 and 20, it is intended that it shall be clearly understood that all the provisions of section 3 of the Price Control Act, including the provisions of section 3 (c), are to be restated and redeclared in the measure we are now considering.

Mr. BARKLEY. In reply to the Senator I may state that that is my understanding. One of the objections I raised the other day, and which has, I think, a legitimate basis, was that under the language of the Senate committee amendment it would be necessary for the Secretary of Agriculture to go into impossible minutiae of detail with respect to publication and republication and the assessment of all the elements of cost which enter into everything that is manufactured out of raw material which comes from the farm, and that the amendment made it necessary for him to go further than was required by the Price Control Act. The language now suggested synchronizes this appropriation bill with the original Price Control Act.

I wish to state in this connection that I am sure, in view of the testimony before the Committee on Appropriations, that the Senator from Wyoming will agree that in dealing with these matters the Price Administrator has endeavored meticulously to carry out the provisions of the original law. Whether he has done so might be subject to debate, but he has endeavored to do that, in my judgment, and it is not necessary to go further than the original law, which required him and the Secretary of Agriculture to cooperate

in the administration of the law so as to carry out section 3 as it applies to farm commodities.

Mr. O'MAHONEY. Mr. President, it is only fair to say that members of the Committee on Appropriations, at least one member, felt, from the testimony given by the Price Administrator and from his declarations, that it was his intention to abide by the provisions of section 3. I think that intention has been made more clear and definite by the testimony which appeared and by the discussions which have taken place. It may be proper to point out that when the House committee acted upon the pending bill it submitted a report to the House, from which I will read this statement:

The committee is of the opinion that the provisions of section 3 of the Act should be administered in accordance with the intent of the law both as expressed in its specific terms and as reflected in the reports and debates in Congress during the course of its enactment. The provisions of section 3 are clear and unequivocal and should be followed according to the purposes of Congress in its enactment.

In reporting this amendment, and in agreeing to the amendment which is now about to be voted upon, and the one which is about to be proposed, the Senate committee are merely putting into words the same conclusion which was expressed by the House committee in its report, and upon which, as I understand, there has now been complete agreement.

Mr. BARKLEY. I wish also to state that, having read the complete Senate committee hearings, as I have done, I think those hearings and the revelations made and the across-the-table discussions between the committee and the Price Administrator have gone a long way toward clarifying the situation and the purpose both of Congress and of the Price Administrator in dealing with this difficult subject.

I wish to say also that, in my opinion, we are indebted to the Senator from Wyoming, as well as to other members of the Committee on Appropriations, for bringing about the development of ideas, both as to the law and the administration, toward clarifying that situation.

Mr. BYRD. I should like to ask the Senator from Tennessee what provision we are now being asked to vote upon.

Mr. McKELLAR. The vote is on the motion to strike out, on page 24, line 10, after the date "1942", the words "and has redetermined and republished any such parity or comparable price after the first such determination and publication." That language was held by the draftsman to be an extension of the original law and I am inclined to think it is.

Mr. BYRD. As I understand, the Senator from Tennessee will insist on the remainder of the amendment?

Mr. McKELLAR. Not all of it. There is a provision in the bill which I shall come to in a few minutes, and which I shall explain.

Mr. BYRD. I believe we should all understand what the compromise is before we vote on any part of it.

Mr. McKELLAR. I have already stated, and I shall state again, that my

next motion will be to strike out the words "or any such product thereof", which appear in lines 19 and 20 on page 24.

If the Senator will look at the next proviso, in line 22, on that same page, he will see that reference is made to a lumber area in the State of Tennessee. I shall move to strike that out. When the opportunity is afforded I shall move to strike out the proviso on page 25, line 11, after the word "territory."

Mr. BYRD. Should these committee amendments be adopted, it would mean that no part of this appropriation may be paid unless certain things are done, or if the Secretary of Agriculture fails to do certain things. I do not think that as a practical proposition, Mr. Henderson should be held responsible for any failure on the part of the Secretary of Agriculture in the performance of his duties. The Secretary of Agriculture should be penalized for his own failures, and Mr. Henderson should not be punished for the failures of the Secretary of Agriculture.

Mr. McKELLAR. It cannot be assumed that the Secretary of Agriculture will violate the law.

Mr. BARKLEY. The Secretary of Agriculture is complying with the original Act from time to time. There is no controversy between the Secretary of Agriculture and the Price Administrator with respect to procedure under the provision of the original act which requires the Secretary of Agriculture to certify or to cooperate with the Price Administration in fixing the prices of finished products, which would conform to section 3 (c) of the original act.

Mr. BYRD. I should like to ask the Senator from Kentucky if it is not true that, should the amendment be agreed to as now proposed, Mr. Henderson could be denied his appropriation in toto because of the failure of the Secretary of Agriculture to perform certain functions, when Mr. Henderson was taking action to prevent inflation.

Mr. BARKLEY. I am assuming that the Secretary of Agriculture is going to follow the law.

Mr. BYRD. Why should we assume Mr. Henderson is going to violate the law?

Mr. BARKLEY. The Price Administrator could not fix a price under the law as it is now regardless of an appropriation, in respect of a finished product made out of an agricultural commodity unless he had a certificate of information from the Secretary of Agriculture.

Mr. BYRD. This is the reverse of that. The whole effect of the proposed amendment is that if the Secretary of Agriculture does not do certain things which he is required to do under the law, the entire appropriation given to Mr. Henderson is to be void, if Mr. Henderson does his duty in establishing prices.

Mr. BARKLEY. If Mr. Henderson should fix a price on a finished product made out of agricultural raw material he would be doing so in violation of the law which requires that he first obtain a certificate and cooperation from the Secretary of Agriculture before he can do that. So, even if it be assumed he could not

use this money for that purpose, it must also be assumed that he has not fixed a price in violation of the original Price Control Act.

Mr. BYRD. A provision of the bill requires that in case of a comparable price for an agricultural commodity, the Secretary of Agriculture must hold public hearings and determine and publish such comparable price in the manner prescribed by section 3 (b) of the act; and the Secretary of Agriculture must determine after investigation, and proclaim, "that the maximum price or prices so established on any such agricultural commodity or any such product thereof will reflect to the producer of such agricultural commodity a price in conformity with section 3 (c) of said act," referring to the Price Control Act. In the event Mr. Wickard fails to do these things, then the entire appropriation, including the appropriation for rent control, for example, will be denied Mr. Henderson, or Mr. Henderson will be prohibited from establishing any prices on agricultural products.

Mr. BARKLEY. No; that would not be correct. The only limitation which would be placed on him under this language would be in fixing a maximum price on manufactured products which have been processed and manufactured out of agricultural commodities without the certification or information on the part of the Secretary of Agriculture. It has no relationship to rents.

Mr. BYRD. If the Secretary of Agriculture should not act, no prices could be fixed by Mr. Henderson.

Mr. BARKLEY. That would be true without the appropriation.

Mr. BYRD. Has it been true in the past?

Mr. BARKLEY. I do not think so. I think the Administrator and the Secretary of Agriculture have both substantially complied with the original Price Control Act, and I believe the overwhelming testimony before the Committee on Appropriations on the part of Mr. Henderson—it is subject, I suppose, to disagreement—shows he has made a sincere effort to carry out the Price Control Act, and that he has not violated section 3, subsection (c); by going over the head of the Secretary of Agriculture and fixing prices without the cooperation of the Secretary.

Mr. BYRD. Why is it necessary to adopt such an extraordinary method as this to force Mr. Henderson to obey the law, and to void his entire appropriation of \$125,000,000 in the event he commits one act that is in violation of the Price Control Act?

Mr. BARKLEY. I say to the Senator, frankly, that I did not think it was necessary to include this amendment in the appropriation bill, but it is in the bill in a form which goes beyond the law. What I have been striving to do in attempting to arrive at an understanding has been to limit the provisions of this bill to the original law, so that it could not be said that we had gone beyond the original law. While it may have been unnecessary to put that provision in the bill, it is in the bill, and what we are trying to do

is to work the matter out so as not to conflict with the law we have enacted.

Mr. BYRD. So far as I know no other appropriation bill including such a provision has been enacted in the years I have been in the Senate. For example, we do not require that the Secretary of the Interior be denied his appropriation because a single act is performed by his agency which may be contrary to the law, nor we do make such a provision as to any other agency of the Government.

Mr. BARKLEY. That is true, and there is no other law and no other situation where any agency of the Government has to deal with a vast number of manufactured products which are processed from agricultural commodities with which we deal in the A. A. A. law and in the original Price Control Act, so we have to consider that we are dealing with a special situation in price control which does not apply to any other law—price control over a vast number of articles too numerous even to mention, and which goes back to agricultural products out of which they are made. We are trying to synchronize the situation as much as possible.

Mr. McKELLAR. I am quite sure that Mr. Henderson, since the provision has been amended so as to comply with the law, has no objection to it.

Mr. BYRD. Did Mr. Henderson say he had no objection?

Mr. BARKLEY. I have conferred with Mr. Henderson and his representatives, and while they would have preferred that another sentence or two in this amendment be eliminated, they can operate under the language as we have finally worked it out, and there is no objection that I wish to urge against it since the holding of the conferences.

Mr. BYRD. I merely wish to say that I think Mr. Henderson has one of the most difficult jobs that has ever been given to any official since I have been in the Senate. I do not want to vote for anything that is going to hamstring him in the proper performance of the difficult duties which he has undertaken to perform. It is inconceivable to me that Mr. Henderson should say this amendment is satisfactory to him, because the very wording of the amendment is a reflection on Mr. Henderson, and cannot be construed as anything else. It is remarkable to me that Mr. Henderson should agree to a public spanking.

Mr. BARKLEY. I do not wish to leave the impression that Mr. Henderson has agreed that this language should go into the bill. He did not feel, as I did not feel, that there should be any amendment at all in the appropriation bill on the subject, but it is there. All he can ask, and all he has insisted upon, is that whatever amendments we put in the bill shall not go beyond the original law. I will say that we conferred with the legislative drafting service of the Senate, and they reached the same conclusion we did, that the language does not go beyond the original law, and therefore does not change the effect of the original law, except, of course, technically it does provide that the Administrator cannot use this particular money for a purpose not intended to be covered by the original law.

Mr. DANAHER. Mr. President, will the Senator yield to me?

Mr. BYRD. I should like to make a statement, and then I will yield. I think Mr. Henderson should be compelled to obey the law, but I do not think this is the right way to do it. This is a punitive provision in the bill. It is a provision to punish Mr. Henderson by taking away all his appropriations.

Mr. McKELLAR. It does not do that.

Mr. BYRD. It does if he commits any act contrary to this provision.

Mr. McKELLAR. No; it provides that no part of his appropriation shall be used to enforce any maximum price or prices of any agricultural commodities, and so forth.

Mr. BYRD. Is that not Mr. Henderson's duty? That is the sole function of the Office of Price Administration.

Mr. McKELLAR. No; there are a great many other things he should control.

Mr. BYRD. Suppose we void the appropriation to pay these different people who are attempting to fix the ceiling prices; then the entire price-control program will fall. There can be no question about that.

I now yield to the Senator from Connecticut.

Mr. DANAHER. Mr. President, the Senator from Kentucky [Mr. BARKLEY] has stated that it was the purpose of the committee and of himself not to go beyond the provisions of the original price-control law in the provision on page 24, which is now pending. I am sure he intends to do just as he said. In line 14, the last word, let me say to the Senator from Virginia, is the word "public," and Senators will notice that under subclause (2) the Secretary, under the language proposed, would be bound to hold public hearings, and then determine and publish the comparable price, but that clearly goes beyond the provisions of the original law.

Mr. BARKLEY. If the Senator will refer to the original act he will find in one of the subsections of section 3 that the Secretary of Agriculture is required to hold public hearings.

Mr. DANAHER. But only in certain particulars, let me say to the Senator from Kentucky, and not with reference to the subject matter treated of in subclause (2).

Mr. BARKLEY. That refers to comparable prices of products which are not included in the basic act, the original triple A act, corn, wheat, cotton, tobacco, rice, and peanuts, six products. But the Secretary must make a certification with respect to comparable prices not included in the original act, and also with respect to the price of manufactured products, so as to see that the provisions of subsection (c) of section 3 of the original act are carried out.

Mr. DANAHER. Will the Senator from Virginia permit me to ask the Senator from Kentucky a question?

Mr. BYRD. I yield.

Mr. DANAHER. Will the Senator from Kentucky tell me if it is his understanding that the Secretary of Agriculture will be bound to hold public hearings before he determines and publishes the comparable price both as to the items

mentioned in subclause (2) and the manufactured and processed articles referred to in subclause (3)?

Mr. BARKLEY. Only insofar as he is required in the original act to do so.

Mr. DANAHER. Let me point out then, Mr. President, in the time of the Senator from Virginia, that under subclause (2) the Secretary of Agriculture must determine and publish, for the purposes of the Price Control Act, the parity prices as authorized by law. There is no requirement for public hearings whatever with reference to the determination of parity prices. The act then goes on to provide, in subsection (b) of section 3:

In the case of any agricultural commodity other than the basic crops corn, wheat, cotton, rice, tobacco, and peanuts, the Secretary shall determine and publish a comparable price—

Always? No; but—

whenever he finds, after investigation and public hearing, that the production and consumption of such commodity has so changed in extent or character since the base period as to result in a price out of line with parity prices for basic commodities.

In other words, he is not always bound to do it, and until a given condition occurs he is not bound to do it at all.

Then, in subsection (c) of section 3 of the Price Control Act, it is specially provided that—

No maximum price shall be established or maintained for any commodity processed or manufactured in whole or substantial part from any agricultural commodity.

And so forth. In no way is subsection (c) involved in subclause (2), beginning in line 13, on page 24, of the pending bill, and the reason the word "public" is put in there is to create some new set of circumstances and some new conditions obviously requiring a public hearing. That is beyond the purport and the intent of the language of the original Price Control Act.

Mr. BARKLEY. Mr. President, I will say to the Senator that subclause (2) applies not to manufactured products at all. It applies to comparable agricultural commodities. It might relieve the Senator's mind to know that following the disposition of this amendment, the Senator from Tennessee proposes in lines 19 and 20 to strike out the clause "or any such product thereof," so that that clause also will be limited to agricultural products and not to the products produced from the raw material which is the subject, of course, of the agricultural provision.

Mr. DANAHER. Mr. President, let me clear it up in this way, perhaps, as a matter of the legislative record on this particular subject. Is it the view of the Senator from Kentucky that if the word "public" is retained in line 14 on page 24, there will be no new duty imposed on the Secretary of Agriculture to hold public hearings above and beyond the duty that exists under the Price Control Act in section 3, subsection (b)?

Mr. BARKLEY. That is my view.

Mr. DANAHER. I thank the Senator.

Mr. BONE. Mr. President, will the Senator yield?

Mr. BYRD. I yield.

Mr. BONE. I gather from what the Senator from Virginia said that there is

not at present on the statute books any provision of law that has for its purpose the coordinating of the activities of the Department of Agriculture, and its Secretary, and the Price Administrator. If that be true, it presents something of the picture of a team of horses trotting along, not in double harness, but each with separate harness, pulling or not as each horse sees fit. I am constrained to inquire as to why there has not been prepared some formula which will coordinate the activities of the two Departments, and by compulsion bring about a coordination or synchronization of their activities.

Mr. BARKLEY. Will the Senator from Virginia yield to permit me to answer?

Mr. BYRD. I yield.

Mr. BARKLEY. The Senator from Washington is in error.

Mr. BONE. I realize I may be in error, but I merely am making an inquiry.

Mr. BARKLEY. Section 3 of the original Price Control Act deals with agricultural commodities. There are six subsections in it, (a), (b), (c), (d), (e), and (f). In subsection (b) the Senator will see the language:

For the purposes of this act, parity prices shall be determined and published by the Secretary of Agriculture as authorized by law.

Under the A. A. A. law he has to determine what the parity prices are and publish them. That is the law this language refers to. The subsection continues:

In the case of any agricultural commodity other than the basic crops corn, wheat, cotton, rice, tobacco, and peanuts, the Secretary shall determine and publish a comparable price whenever he finds, after investigation and public hearing, that the production and consumption of such commodity has so changed in extent or character since the base period as to result in a price out of line with parity prices for basic commodities.

Then in subsection (c) we find this language:

No maximum price shall be established or maintained for any commodity processed or manufactured in whole or substantial part from any agricultural commodity below a price which will reflect to producers of such agricultural commodity a price for such agricultural commodity equal to the highest price therefor specified in subsection (a).

The result of that is that the Price Administrator cannot fix a price on agricultural products which are included in the A. A. A. law, the six basic commodities, below 110 percent of parity in the first place, or below the prices which prevailed at a certain time in October, or a certain time in December, or the average price that prevailed back in the 10-year period 1919-1929. So that in fixing the price on the raw material of the agricultural products, the six which are in the basic act, he must fix a price not below 110 percent of parity, or the price at these other dates, whichever may be the highest.

When it comes to products of the farm outside the six basic commodities, the law requires the Secretary of Agriculture to hold public hearings and make an in-

vestigation as to comparable prices of all agricultural commodities outside the six basic commodities, and he must publish that information from time to time. In fixing the price of manufactured products the law itself prohibits the Price Administrator from fixing a ceiling which would not reflect the price of the raw material as provided for in section 3, subsection (c). So the original law ties in the Price Administrator and the Secretary of Agriculture in a way that was thought wise by the Congress at the time, and the effect of this amendment is to tie them in again in the same way.

Mr. BONE. I was constrained to inquire, because the Senator from Virginia [Mr. BYRD] had expressed concern less the default, for instance, on the part of the Secretary of Agriculture in the making of a proper order or publishing the necessary information might lay a groundwork for failure on the part of Mr. Henderson to act, or perhaps prevent him from acting. I was merely concerned because of the possibility of the thing suggested by the Senator from Virginia.

Mr. BARKLEY. Subsection (e) of section 3 provides:

(e) Notwithstanding any other provision of this or any other law, no action shall be taken under this act by the Administrator or any other person with respect to any agricultural commodity without the prior approval of the Secretary of Agriculture; except that the Administrator may take such action as may be necessary under section 202 and section 205 (a) and (b) to enforce compliance with any regulation, order, price schedule, or other requirement with respect to an agricultural commodity which has been previously approved by the Secretary of Agriculture.

So they are tied together by the law like the Siamese twins. So far as I know, no surgeon has ever separated them.

Mr. BONE. I did not want to see the Senate overlook the opportunity of correcting the situation if there is any possibility of a coordination which would embarrass us later. That is my only concern.

Mr. BYRD. Mr. President, the adoption of the amendment as it now stands could be construed in no other way than lack of faith in Mr. Henderson by the Congress. As I have previously stated, Mr. Henderson has one of the most difficult tasks anyone has undertaken. He will require all the support he can get from the public and from Congress if he is to prevent the spiral of inflation which has already started.

If Mr. Henderson has violated the law and continues to do so he should be impeached. I hold no brief for Mr. Henderson. I think he is a patriotic, courageous man. I think he is doing the best he can; but I think he has made mistakes. I am unalterably opposed to his plan of subsidies. I think a general subsidy plan would be a disaster nearly as great as the disaster of inflation. I do not agree with him in many things; but why should we discredit an officer of the Government who has one of the most difficult tasks ever entrusted to a man in time of war or time of peace? Adoption of the amendment could be construed in no other way, because no other appropria-

tion act has a provision that if such and such a thing is not done the appropriation will be rendered void.

I do not understand the reason for this proposal. I think that Mr. Henderson should scrupulously obey the law; but I do not think the Senate should discredit him and publicly express lack of faith in his determination to carry out the law, until at least he is proven guilty. It would be unfortunate to do so at one of the most critical stages of the price-control program, when prices have already started to rise, and when Mr. Henderson has been compelled to increase the prices which were fixed as of March 15 last. I think that one of the greatest disasters which could come to this country would be uncontrolled inflation. Even if we give Mr. Henderson all the tools we can give him and all the confidence and support we can give him, it is questionable whether he can successfully perform the task of keeping prices at a reasonable level and preventing inflation under the authority he now has.

The original law was defective in the sense that no wage stabilization plan was adopted. I believe that there can be no effective control of prices until there is an all-out control, until every element which enters into the cost of an article which is presented for purchase to the consumers of this country is controlled, including farm products, wages, and every other element of cost.

I think the wage earner himself is interested, because, although he may receive higher wages, he will pay much more for what he buys. The farmer is interested, because when inflation occurs he will have to pay more and more for what he buys. I am in the farming business, and I know that, day by day, the prices of the things which the farmer must buy are going up. The prices of fertilizer, baskets, and other supplies, as well as the price of labor, are going up.

Today we are facing a critical period in our effort to control inflation. At this time, with the news which we are receiving from the foreign front, for the Congress of the United States publicly to discredit one of the high officers of the Government who is attempting to perform a public duty, as we should do if we should adopt this amendment, would be a great mistake.

The PRESIDING OFFICER (Mr. LUCAS in the chair). The question is on agreeing to the amendment offered by the Senator from Tennessee [Mr. McKellar] to the second branch of the committee amendment, on page 24, beginning in line 10.

The amendment to the amendment was agreed to.

Mr. McKELLAR. Mr. President, in line 19 of the second branch of the committee amendment, on page 24, line 19, after the word "commodity" I move to strike out the words "or any such product thereof."

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Tennessee to the committee amendment.

The amendment to the amendment was agreed to.

The PRESIDING OFFICER. The question now is on agreeing to the second branch of the committee amendment, on page 24, as amended.

Mr. BARKLEY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. BARKLEY. Is the question on agreeing to the amendment to the amendment?

Mr. McKELLAR. No.

The PRESIDING OFFICER. The question is on agreeing to the second branch of the committee amendment, on page 24, or the second proviso, as amended.

Mr. BYRD. I ask for the yeas and nays.

The yeas and nays were not ordered.

Mr. BYRD. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. BYRD. Are we now voting on the committee amendment as amended?

The PRESIDING OFFICER. The Chair understands that the committee amendment, as reported by the committee, was separated into four branches, each proviso constituting a different branch. The first proviso has been disposed of, and the Senate is now considering the second proviso or branch, as amended by the two amendments offered by the Senator from Tennessee [Mr. McKELLAR].

Mr. BYRD. I understood that an opportunity would be afforded to vote upon the entire amendment, as amended.

Mr. BARKLEY. Mr. President, let us see if we cannot clear up the difficulty. Does the Senator from Virginia have in mind the whole committee amendment, as reported, or that part of the committee amendment included in subdivision (2), which reads:

(2) In case of a comparable price for such agricultural commodity, the Secretary of Agriculture has held public hearings and determined and published such comparable price in the manner prescribed by section 3 (b) of said Act.

Mr. BYRD. The Senator from Virginia wishes a yea and nay vote on the committee amendment as amended, or the second proviso, as amended, which relates to the objections which the Senator from Virginia has attempted to present to the Senate.

Mr. McKELLAR. Under the agreement which we reached a while ago, we were to vote on the provisos separately. It seems to me that the question now is whether the second proviso shall be agreed to.

Mr. CLARK of Missouri. That is exactly what the Chair stated.

Mr. BYRD. That proviso deals with the objections which the Senator from Virginia has presented to the Senate.

The PRESIDING OFFICER. The question is on agreeing to the second proviso, or branch, as amended, which begins in line 3 on page 24 with the words "Provided further, That no part of this appropriation" and extends to line 22, ending with the words "said act."

Mr. BYRD. I ask that the amendment as amended be stated.

The PRESIDING OFFICER. The amendment as amended will be stated.

The LEGISLATIVE CLERK. On page 24, line 3, after the word "payments", it is proposed to insert: "Provided further, That no part of this appropriation shall be used to enforce any maximum price or prices on any agricultural commodity or any commodity processed or manufactured in whole or substantial part from any agricultural commodity unless and until (1) the Secretary of Agriculture has determined and published for such agricultural commodity the prices specified in section 3 (a) of the Emergency Price Control Act of 1942; (2) in case of a comparable price for such agricultural commodity, the Secretary of Agriculture has held public hearings and determined and published such comparable price in the manner prescribed by section 3 (b) of said act; and (3) the Secretary of Agriculture has determined after investigation and proclaimed that the maximum price or prices so established on any such agricultural commodity will reflect to the producer of such agricultural commodity a price in conformity with section 3 (c) of said act."

Mr. BALL. Mr. President, if the changes so far made actually do not change section 3, I am wondering what is the value in the amendment of the words in lines 5, 6, and 7—

Price or prices of any agricultural commodity or any commodity processed or manufactured in whole or in substantial part from any agricultural commodity—

Mr. HAYDEN. They have this value, that they are a restatement of the law as it now exists. We deal with two subjects, both of which are mentioned—first, the original agricultural commodity, and second, any commodity processed or manufactured in whole or substantial part from any agricultural commodity. As to the first, we say that there shall be action by the Secretary of Agriculture. As to the second, the prices shall be determined by the Price Administrator. So those words have a value in that they are a restatement of the law. They add nothing to the law and take nothing away from it.

Mr. BALL. They are not a restatement of the law. The subsection of section 3 which mentions the Secretary of Agriculture does not mention anywhere any commodity processed or manufactured in whole or substantial part from any agricultural commodity. Those words occur only in subsection (c), and the Secretary of Agriculture has nothing to do with it. If we are following the act, I do not see how the language has any place, because each of the three subsections requires the Secretary of Agriculture to do something.

Mr. BYRD. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Bone	Chandler
Andrews	Bridges	Chavez
Bailey	Brooks	Clark, Mo.
Ball	Burton	Connally
Barkley	Byrd	Danaher
Bilbo	Caraway	Downey

Ellender	Maloney	Spencer
George	Maybank	Thomas, Idaho
Gerry	McAd	Thomas, Okla.
Gillette	Norris	Thomas, Utah
Green	Nye	Tobey
Guffey	O'Mahoney	Tydings
Gurney	Pepper	Vandenberg
Hayden	Radcliffe	Van Nuys
Johnson, Calif.	Reed	White
Lee	Reynolds	Wiley
Lucas	Rosier	Willis
McKellar	Russell	
McNary	Schwartz	

The PRESIDING OFFICER. Fifty-five Senators having answered to their names, a quorum is present.

The question is on agreeing to the second branch of the committee amendment, as amended.

Mr. BYRD. I ask for the yeas and nays.

The yeas and nays were ordered, and the legislative clerk proceeded to call the roll.

Mr. WHITE (when Mr. BREWSTER's name was called). I repeat the announcement I previously made regarding my colleague, the junior Senator from Maine [Mr. BREWSTER]. He is unavoidably absent from the city because he is engaged elsewhere on the work of the Truman committee.

Mr. CHANDLER (when his name was called). I make the same announcement I made at the time of the previous vote with reference to my pair with the Senator from Pennsylvania [Mr. DAVIS], and will vote. I vote "yea."

Mr. McNARY (when his name was called). On this vote I have a pair with the junior Senator from Mississippi [Mr. DOXEY]. I am advised that, if present, he would vote as I am about to vote. Therefore, I am at liberty to vote, and vote "yea."

Mr. REED (when his name was called). I have a pair with the senior Senator from New York [Mr. WAGNER]. I understand that, if present, he would vote as I shall vote. Therefore I am at liberty to vote. I vote "yea."

Mr. VAN NUYS (when his name was called). Repeating the announcement I made in connection with the previous vote, I transfer my general pair from the senior Senator from Vermont [Mr. AUSTIN] to the senior Senator from Delaware [Mr. HUGHES], and will vote. I vote "yea."

The roll call was concluded.

Mr. THOMAS of Oklahoma. I have received a telegram from the senior Senator from Alabama [Mr. BANKHEAD] advising me that, if present, he would vote "yea" on this amendment.

Mr. McNARY. The senior Senator from Ohio [Mr. TAFT] is necessarily absent. If present, he would vote "nay."

Mr. BARKLEY. I announce that the Senator from Delaware [Mr. TUNNELL] is absent attending the funeral of the late ex-Senator Bayard of Delaware.

The Senator from Delaware [Mr. HUGHES] is absent from the Senate because of illness.

The Senator from Idaho [Mr. CLARK] and the Senator from New Mexico [Mr. HATCH] are detained on business in one of the Government departments.

The Senator from Michigan [Mr. BROWN], the Senator from South Dakota [Mr. BULOW], the Senators from Nevada [Mr. BUNKER and Mr. McCAR-

RAN], the Senator from Mississippi [Mr. DOXEY], the Senator from Virginia [Mr. GLASS], the Senator from Iowa [Mr. HERRING], the Senator from Alabama [Mr. HILL], the Senator from Colorado [Mr. JOHNSON], the Senator from Arizona [Mr. McFARLAND], the Senator from Utah [Mr. MURDOCK], the Senators from Montana [Mr. MURRAY and Mr. WHEELER], the Senator from Texas [Mr. O'DANIEL], the Senator from Louisiana [Mr. OVERTON], the Senator from New Jersey [Mr. SMATHERS], the Senator from South Carolina [Mr. SMITH], the Senator from Tennessee [Mr. STEWART], the Senator from New York [Mr. WAGNER], and the Senator from Massachusetts [Mr. WALSH] are necessarily absent.

The Senator from West Virginia [Mr. KILGORE], the Senator from Missouri [Mr. TRUMAN], and the Senator from Washington [Mr. WALLGREN] are members of the Committee to Investigate National Defense and are, therefore, necessarily absent.

Mr. McNARY. I announce that my colleague, the Senator from Oregon [Mr. HOLMAN], has a general pair with the Senator from Tennessee [Mr. STEWART]. The Senator from Massachusetts [Mr. LODGE] has a general pair with the Senator from Virginia [Mr. GLASS].

The Senator from Minnesota [Mr. SHIPSTEAD] is necessarily absent.

The Senator from Vermont [Mr. AUSTIN], the Senator from New Jersey [Mr. BARBOUR], the Senator from Nebraska [Mr. BUTLER], the Senator from Kansas [Mr. CAPPER], the Senator from Pennsylvania [Mr. DAVIS], the Senator from North Dakota [Mr. LANGER], and the Senator from Colorado [Mr. MILLIKIN] are necessarily absent.

The result was announced—yeas 38, nays 16, as follows:

YEAS—38

Aiken	Gillette	Reynolds
Andrews	Guffey	Rosier
Barkley	Gurney	Russell
Bilbo	Hayden	Schwartz
Bone	Lee	Spencer
Brooks	McKellar	Thomas, Idaho
Caraway	McNary	Thomas, Okla.
Chandler	Maybank	Thomas, Utah
Chavez	Mead	Van Nuys
Connally	Nye	White
Downey	O'Mahoney	Wiley
Ellender	Pepper	Willis
George	Reed	

NAYS—16

Bailey	Danaher	Radcliffe
Ball	Gerry	Tobey
Bridges	Green	Tydings
Burton	Lucas	Vandenberg
Byrd	Maloney	
Clark, Mo.	Norris	

NOT VOTING—42

Austin	Herring	Murray
Bankhead	Hill	O'Daniel
Barbour	Holman	Overtton
Brewster	Hughes	Shipstead
Brown	Johnson, Calif.	Smathers
Bulow	Johnson, Colo.	Smith
Bunker	Kilgore	Stewart
Eutler	La Follette	Taft
Capper	Langer	Truman
Clark, Idaho	Lodge	Tunnell
Davis	McCarran	Wagner
Doxey	McFarland	Wallgren
Glass	Millikin	Walsh
Hatch	Murdock	Wheeler

So the second branch of the committee amendment, as amended, was agreed to.

WOMEN'S AUXILIARY RESERVE IN THE NAVY

The PRESIDING OFFICER (Mr. LUCAS in the chair) laid before the Senate a message from the House of Representatives announcing its disagreement to the amendments of the Senate to the bill (H. R. 6807) to establish a Women's Auxiliary Reserve in the Navy, and for other purposes, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. TYDINGS. I move that the Senate insist upon its amendments, agree to the request of the House for a conference, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. TYDINGS, Mr. SMITH, Mr. RUSSELL, Mr. DAVIS, and Mr. JOHNSON of California conferees on the part of the Senate.

FIRST SUPPLEMENTAL NATIONAL DEFENSE APPROPRIATIONS

The Senate resumed the consideration of the bill (H. R. 7319) making supplemental appropriations for the national defense for the fiscal year ending June 30, 1943, and for other purposes.

The PRESIDING OFFICER. The question now is on agreeing to the third branch of the committee amendment on page 24.

Mr. McKELLAR. Mr. President, I move to strike out the third branch of the amendment, beginning with the word "Provided," in line 22, on page 24, and ending with the word "territory," in line 11, on page 25.

Mr. CLARK of Missouri. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. CLARK of Missouri. The branch or proviso referred to by the Senator from Tennessee is not in the bill; therefore it would seem that a motion to strike it from the bill would not be in order. The proviso is part of a committee amendment which automatically comes up. The purpose of the Senator from Tennessee can be accomplished by a negative vote on the committee proviso, rather than by a motion to disagree. In other words, the question should be put in the affirmative.

Mr. McKELLAR. That is correct. Of course, the same effect would be had. I thought we had an agreement with reference to striking out or modifying each one as we proceeded. However, the situation is that those who are against the amendment will vote "nay."

The PRESIDING OFFICER. The Senator from Tennessee is correct.

The question is on agreeing to the third branch of the committee amendment.

The amendment of the third branch of the committee amendment was rejected.

The PRESIDING OFFICER. The question now is on the fourth branch of the committee amendment, the proviso beginning in line 11, page 25.

Mr. McKELLAR. Mr. President, I move that the Senate disagree to pro-

viso number 4, page 25, beginning with the word "Provided" in line 11 and ending with the word "Senate" in line 15.

The PRESIDING OFFICER. The Parliamentarian advises the Chair that it is better to put the question in the affirmative, as was done previously.

Mr. McKELLAR. Very well.

The PRESIDING OFFICER. The question is on agreeing to the fourth branch of the committee proviso, beginning in line 11, page 25.

Mr. CLARK of Missouri. Mr. President, I desire to submit a very few observations on the subject of the Office of Price Administration. I am one of those who voted, as did all the other members of the Senate, for the increase in the appropriation for the Office of Price Administration from \$120,000,000 to \$125,000,000. I would have voted, if the majority leader or those in charge of the bill had seen fit to propose such an amendment, for an increase to \$140,000,000, which was the absolute minimum suggested by Mr. Henderson as being vitally necessary for the proper operation of his office. I would have voted in the affirmative if it had been proposed by the majority leader or those in charge of the bill, for the Budget estimate of \$161,000,000. It seems to me that to cut \$15,000,000 off what Mr. Henderson says is absolutely his minimum is very short-sighted, because it would enable Mr. Henderson and the press to saddle Congress with any failures in his office.

We all read on Sunday morning the diatribe issued by Mr. Henderson denouncing the Congress, and more particularly the Committee on Appropriations, for the suggestion that he could get along with \$120,000,000, and stating to the country at large that if he did not get at least \$140,000,000 it would be completely impossible for him to perform the functions of his office.

Mr. President, I say that I would have voted for the full Budget estimate. I would have voted for the \$140,000,000 described by Mr. Henderson as his minimum requirement, although, when I did so, I would have cast that vote with the full expectation that neither \$140,000,000 nor \$161,000,000 would have permitted Mr. Henderson or any other administrator of the Office of Price Administration to carry out the far-flung purposes which have been announced by the Office of Price Administration under the limitations of the lame, halting act under which he is operating. I do not believe that it makes very much difference whether the Congress gives Mr. Henderson \$100,000,000 or \$500,000,000 or a billion dollars or \$2,000,000,000 or any other sum so far as being able to carry out the announced purposes of the Price Control Act is concerned.

The reason for that, Mr. President, is, as all of us who are willing to face the facts at any time know, that it is impossible to have successful price control unless there is over-all price control, which will embrace in it all the elements which go into prices; which include commodity prices, wages, transportation, and every other possible element.

The President of the United States was not willing, in the passage of the Price Control Act, to advocate such over-all control and, as a matter of fact, Mr. Henderson himself shrank from advocating over-all control, and Congress did not rise to the responsibility of writing a bill which it knew would work but started in with this half measure, or three-quarter measure, utterly inadequate in its approach to the problem. I said this at the time of the passage of the original act and predicted its failure, which is inevitable unless the act is strengthened.

The reason I say I would have voted for the highest sum which has been proposed is simply because I did not intend, so far as I was concerned, to have it ever appear that the failure in the Office of Price Administration, which is bound to take place, was due to the niggardliness of the Congress in the matter of five, fifteen, twenty, or thirty million dollars. I wanted to give Mr. Henderson all the money he said he needed, and then let him demonstrate, as he must demonstrate, the shortcomings and failures of the law as it is on the statute books.

There has been much criticism of Mr. Henderson. He is certainly not the most tactful person who ever held public office in the United States. I think he has done a good job in the Office of Price Administration, under the limitations of the act under which he is operating. I think to a large extent he is personally responsible for a good deal of the trouble he has gotten into. I think he has made too many speeches at dinners, and taken a very provocative attitude toward both the Congress and the people of the United States; but, nevertheless, I think he had the toughest job imposed upon him that has ever been given to any American in my lifetime, and, I dare say, in the whole history of the country; and, taking it by and large, I think he has done a very good job. It takes a combative, aggressive, tough-fibered individual to even have the courage to enter upon so tough an assignment.

I may say that there are many economies which I think Mr. Henderson could make and which would make it possible to lower under the \$140,000,000 minimum which he set. I think his agency is following the tendencies of all bureaucracies and of all administrations to expand his organization as much as he can, and to take in many things that are not properly necessary to the task which has been his.

I have in mind one example, an industry which happens to be quite a prominent one in my State and which is engaged in the production of railroad cross ties, a very essential war effort at this particular time, because the railroads have had a burden put on them the like of which this country has never seen and the like of which I hope will never be seen again. And we all know that railroads cannot function without cross ties. It so happens that in that industry, producing railroad cross ties to all intents and purposes, there are only two customers, both of which are governmental agencies. One is the War Department, with its great number of various defense projects, and the other is Mr.

Eastman's agency, the Office of Defense Transportation, which controls the railroads. Those two agencies, Mr. President, can control the price of ties any time they want to do so. If they think the price of ties is too high, those two agencies can put the price down any time they want to do so, subject only to the requirement that they should not put the price down to a point where production will be stopped. But Mr. Henderson's office has a young man roaming around the country about to set up a tie-regulating authority. I heard of him being in Missouri not long ago. I happen to know about him; he is a nice young man, who formerly worked in an inferior capacity for a tie company. The last I heard of him he had quit the tie business; he was trying to get a job as rural mail carrier, and was taking a few shots at Representative CLARENCE CANNON, of the House of Representatives, because Mr. CANNON did not get him the job as rural mail carrier.

He is now organizing a force which is going to regulate the tie business, and says it will take 150 men on his staff to do the work as a starter. That together with the stenographers and machines and travel allowances which will be necessary will probably cost half or three-quarters of a million dollars. I do not care whether the tie business is regulated or not; I use it merely as an example, but I do say that is an absolute waste of money which cannot be justified.

I believe Mr. Henderson could save a good deal of money if he would stop the duplication of reports, the very voluminous reports, which his office requires. A great many businessmen have told me that the preparation of such reports takes more of their time and trouble and costs more money by a great deal than their whole ordinary accounting system. Some say they spend more time and money on these reports than they do in the manufacture of their products. Of course it requires additional employees in the State offices, in the regional offices, and in the Washington office. It is necessary to have comptometers and typewriters and people to operate them; it is necessary to have copy boys and errand boys, chiefs and subchiefs, assistant subchiefs, and deputy assistant subchiefs to handle all these voluminous reports and by the time they get the reports analyzed, and digested and comptometered and filed and refiled the information will be stale. All that runs into extremely important money, and it does seem to me that there should be very material economies made in Mr. Henderson's office, as well as in the War Production Board, and all these other extraordinary agencies where the same situation exists as to reports. I am not picking on Mr. Henderson's agency in any particular, because my comments apply to all these mushroom Government agencies. We all know that right today there are thousands of men and women and boys and girls cluttering up the halls of these various new agencies in Washington who have not anything to do, and never had anything to do and have never even found out what they were supposed to do since they got their jobs. I have had that first-hand from a number of

people who have been employed not only in the O. P. A., but in the W. P. B. and several others of these agencies.

I throw this out purely by way of suggestion that some of these officials might be more efficient if they would devote themselves to proper economies in their own offices, rather than to denouncing Congress for not giving them more money.

Mr. President, I intend to vote for the amendment which is now before the Senate as the committee reported it. I voted against the amendment on page 11, having to do with the O. C. D., making the same limitation in regard to the O. C. D. after it had been amended, the nullifying amendment of the Senator in charge of the bill, the Senator from Tennessee. I did so because I thought it would make a mockery of the original amendment as it was emasculated by the so-called compromise. I voted against it because I thought it was a case of locking the barn door after the horse was stolen. I voted against it because I thought it conveyed to the country the impression that Congress was doing something which it knew should be done but actually did not have the courage to do.

Mr. President, I do not desire to detain the Senate on this amendment, because it has been discussed at great length, not only in regard to this particular bill, but in connection with many other bills, ever since I have come to the Senate and long before. During my service in the Senate I have uniformly voted in favor of provisions that all the more responsible and important officers of the Government should be nominated by the President and be confirmed by the United States Senate. I voted for such a provision in connection with the A. A. A.; I voted for it in connection with the N. R. A.; I voted for it in connection with every one of the agencies which has come before the Congress.

I did not so vote because I was anxious to control patronage, or because I thought for a moment that any partisan consideration should be injected into the appointment of these officials. I voted as I intend to vote now, for the reason that I cannot for the life of me see any possible reason in logic why the officials of the agency we are now considering, and of all the agencies, including the W. P. B. and the rest, should not be subjected to the same requirements applied to members of the Cabinet, to the Justices of the Supreme Court, and to the judges of the inferior Federal judiciary, to the heads of the important agencies, to the chiefs of the more important divisions and bureaus of the various departments, to all the officers of the Army and all the officers of the Navy, the Marine Corps, and the Coast Guard, as well as to postmasters.

It has never been considered a reflection on General MacArthur or General Marshall that they were required to be confirmed for every office they have held in the armed forces of the United States, from second lieutenant to full general. It has never been considered a reflection on any Justice of the Supreme Court or on any judge of any inferior court,

that he was required to be confirmed by the United States Senate.

So far as I am concerned, I am sick and tired of the contention that confirmation by the United States Senate necessarily involves partisan politics. It is amazing that it is advanced in some quarters by public officials and by a great many newspapers that to have a high public official confirmed by the United States Senate injects some element of partisan politics in the appointment, but that selection by a governor of one of the States of the Union is entirely free from any suggestion of politics whatever. Any one two eyes above a Hottentot knows, and has always known, that three-fourths of the governors of the various States are right now and always have been during their terms of office engaged in building up machines for the purpose of running for the United States Senate, and I am satisfied that the several distinguished Members of this body who formerly had the honor of being governors of their respective States will bear me out in that statement. This is no new condition but has existed from the beginning of the Republic.

Therefore I say it is amazing that it is injecting partisan politics into the selection of public officials to have confirmation by the Senate in accordance with the system set up by the Constitution, but that it is a merit system—God save the mark—to have them selected by the governors and the various State machines. We have observed all sorts of State machines, and we have observed governors with their eyes on the senatorship during their terms of office.

So far as I am concerned, I do not think there should be any partisan politics in the matter of the appointments in the O. P. A. or these other agencies. I do not think there should be any politics in the appointment of O. P. A. officials. So far as I am concerned, I have not tried to control any appointments. I do not want to control the appointments in my State or anywhere else, if for no better reason than connection with such appointing power is likely to be more of a liability than an asset. But I do know that some one has been playing some politics in some portions of that organization.

I do know that in one community in my State, in a county overwhelmingly Democratic, in which the whole rent district set-up was overwhelmingly Democratic, by "a happenstance" they happened to pick three Republican plug politicians for the only three jobs in the district—the chief of whom had admitted handing the money from the Union Electric Co. in his own behalf and that of his party.

I do know that in a populous center of my State the regional director—and I want to talk about those regions in a moment—the regional rent director, from Dallas—a Mr. Schlitz—who apparently knew about as much about Missouri as a hog does about Christmas, slipped into Joplin, Mo., and registered at the Connor Hotel under an assumed name. He immediately went into close consultation with a Republican politician by the name of Doug Richart, a lawyer in Joplin whose

connection with rent matters has not yet been disclosed. He stayed there for 2 or 3 days before his identity was actually discovered through the Chamber of Commerce, which only found out about him because the Dallas office was trying to get in touch with him. The outcome was four principal jobs located in that one town, which is not in a portion of the district which requires the most rent administration. All four were Republicans, and even every stenographer in the office turned out to be a Republican.

None of the men to whom I refer had any particular qualifications at all in the matter of performing the functions of rent administrator.

The circumstances in these two districts were such as could not possibly have happened by coincidence. It was carefully planned on the part of some one. I have never had the slightest inclination to insist that Democrats be given any unfair preponderance in selecting personnel for this war effort but I do insist that a man should not be debarred from holding an office in the O. P. A. because he happened to be a Democrat and more particularly because he supported Roosevelt and opposed Willkie in the last election.

Most of them are lawyers. They had no qualifications at all, except that one of these gentlemen whom the incognito officer from Dallas was contacting did happen to be a fellow who wanted to be appointed by the Governor to the State highway commission. The Governor did not appoint him, and then, to square himself, the Governor offered him two or three other jobs, which he did not take. He was apparently sulky, whereupon this official of the O. P. A. turned up and offered him this job. That is the set-up of the office. He did not take the office himself, but put the Dallas emissary in touch with a Mr. Clifford Casey, whose principal qualification is that he is a Republican member of the legislature. Casey accepted and packed the office with his political associates.

I cite these instances merely to show there must be some politics in the O. P. A., although whence it comes I do not know. I am very certain Mr. Henderson did not know anything about it and was not responsible for it. I called him and talked with him about it. I asked him how a thing like that could happen, and Mr. Henderson assured and convinced me that he was entirely innocent of any participation in such a practice. He said he would investigate the matter and let me know. Incidentally, he has not done so.

I am merely referring to these facts to show that this great divorce from politics, to which the newspapers have been devoting so much space, complaining that Congress has been trying to inject partisan politics into the appointments to the agencies in Washington does not hold true in actual practice. The much-heralded merit system does not exist in such instances as I have described.

When I was referring to a few economies which might be made in Mr. Henderson's office, I overlooked referring to the fact that some economies might be made in the matter of these regional offices. The regions were drawn up by

an Assistant Administrator, who happened to have married a Texas girl, who no doubt is a charming lady. He took Missouri and put it in a region the headquarters of which are at Dallas, Tex.

Texas is a great State, and Dallas is a great city; but Dallas is farther from Missouri than is Washington. It would have been much more logical to have taken Missouri and put it in under an office in Chicago or Indianapolis or Pittsburgh or Philadelphia or even over at Baltimore or in Washington, rather than compelling these poor fellows to have to slip in incognito and register under assumed names from Dallas in order to perform the functions of their office as far as Missouri is concerned. If the theory of the regional office is localization, or the necessity for breaking down a general centralized system, it seems to me this system at the present time is a complete failure, and that a very substantial economy might be made by eliminating those regional offices.

When I contemplate the marchings and countermarchings of the committee on this matter, I am only reminded of the old doggerel:

The grand old Duke of York, he had ten thousand men;
He marched them up the hill, and he marched them down again.

Mr. President, I know that since the committee, and the distinguished Senator from Tennessee retreated so precipitately from the position which they took on yesterday, the day before, and last week, there is no hope of this amendment being adopted, but, so far as I am concerned, I merely want to make my vote in favor of the amendment.

I would vote for this amendment if for no other reason than that stated by the Senator from Georgia, a little while ago. It seems to me to be absolutely inconsistent and preposterous in the extreme to contend that there is politics in requiring Senate confirmation of appointments in the O. P. A., but there is no politics in requiring Senate confirmation for a little dab of fellows in the O. C. D., the theory being that their number is not large enough to be significant.

For the reasons I have given, Mr. President, I desire to make it a matter of record that I am voting in the affirmative on this amendment.

Mr. LEE. Mr. President, I, too, want to make a record. I do not wish to undo or attempt to undo the work which the committee has done in working out this bill. I realize that, as a matter of practical legislation, it is sometimes necessary to compromise, but for fear there may not be a record vote on this amendment, I wish to have the record show my position.

I, too, would vote for the amount of money which Mr. Henderson has said will be necessary to operate his organization properly. I received a letter from Ardmore, Okla., in which the writer said that farm women had to come in from distances as great as 30 miles, and had to stand in line for 4 hours, with babies in their arms, waiting to get their rations of sugar for canning purposes. I cite that because if his organization has

enough money, it could set up branch offices in cities closer to these people, so that they would not have to go so far, and would not have to wait so long to receive services from the office.

With respect to the matter of regional offices, I agree with what the Senator from Missouri [Mr. CLARK] has said. I see no reason in the world for a regional office. The State is a natural division, it is a logical division, it is an administrative division. We have cut out the regional W. P. A. office, and in my opinion, it will improve the efficiency of the W. P. A. From the beginning of the W. P. A. we have had to deal through the regional office at New Orleans. That meant a long-distance telephone call to New Orleans. Then New Orleans would usually call Washington, and then Washington would call New Orleans, New Orleans would call Oklahoma City again, and finally Oklahoma City would call Washington, and the question would be settled. If that is economy I do not understand it. If that is efficiency I do not understand it.

Mr. President, I am receiving letters today with respect to appointments being sent in to Oklahoma from the regional office in Dallas, Tex., going entirely around the State director. This results in inefficient operation, delay, and friction.

I wish to read the pending amendment:

Provided, That no part of this appropriation shall be available to pay the salary of any person at the rate of \$4,500 per annum or more unless such person shall have been appointed by the President, by and with the advice and consent of the Senate.

Mr. President, that is good government. It has been conceded to be good government with respect to most of the other governmental agencies. It has been conceded to be good government since the Government was first organized and the Constitution was first written. The language "with the advice and consent of the Senate" was put into the Constitution with respect to certain official appointments. I see no reason why we should eliminate that requirement with respect to a new organization which is now being set up, where it would have some effect and should be applied.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. LEE. I yield.

Mr. CHAVEZ. Is it not correct to say that even the boys who have been trained at West Point or at Annapolis, before they can get their original commissions, must be confirmed by the United States Senate?

Mr. LEE. I believe that is correct.

Mr. CLARK of Missouri. And every time they are promoted their promotion must be confirmed by the Senate.

Mr. CHAVEZ. Yes; their later promotions must be confirmed by the Senate.

Mr. LEE. That is true.

Mr. CONNALLY. Mr. President, will the Senator yield?

Mr. LEE. I yield.

Mr. CONNALLY. I understand that under a measure reported by the Military Affairs Committee, and passed by the

Senate, it is not necessary for the Senate to confirm military appointments below a certain grade. Perhaps the Senator from North Carolina [Mr. REYNOLDS] can tell us what the situation is in that respect.

Mr. REYNOLDS. The Senate Military Affairs Committee is called upon to pass upon all regular Army appointments in all grades, and they must be confirmed by the Senate. Temporary appointments below the grade of general officers do not require confirmation by the Senate. Temporary appointments of general officers must be confirmed.

Mr. CHAVEZ. Mr. President, will the Senator yield further?

Mr. LEE. I yield.

Mr. CHAVEZ. The point I am trying to make is that under the law a certain number of boys are trained at West Point and Annapolis yearly, and after they complete their courses, under the regulations of the Army and of the Navy, it is a fact that their nominations must be confirmed by the Senate before they obtain their first commissions, after they graduate from those schools.

Mr. LEE. That is true.

Mr. President, I think Leon Henderson is a sincere and hard working man, doing his level best to do a good job with a tough assignment. I think he is doing a good job. I wish to be one to contribute everything I can to make that job easier for him. I cannot see how it would be any more difficult for him to do that job by dealing directly with the State directors, instead of through a regional office.

Furthermore, I repeat, I am willing to support appropriations in amounts sufficient for him to do whatever is necessary to make his job a success. But I protest exempting from Senate confirmation men and women receiving salaries above \$4,500. I furthermore protest against the regional offices. I protest because they cause trouble. They are causing trouble in my State, by reason of the fact that persons are sent in from outside, who do not know the situation within the State. The State director is not consulted about appointments which have been made under him by the regional director. Some of these have been made, so I have been advised, without the recommendation or endorsement of the State director. Yet he is expected to do a good job with the people under him. So, Mr. President, I am opposed to regional directors.

Furthermore, I wish to be recorded as favoring the committee amendment which requires Senate confirmation of all appointments to positions carrying a salary of \$4,500 or more.

The PRESIDING OFFICER. The question is on agreeing to the fourth branch of the committee amendment, the proviso on page 25, beginning in line 11.

The amendment was rejected.

The PRESIDING OFFICER. The next committee amendment which was passed over will be stated.

The CHIEF CLERK. On page 35, after line 19, it is proposed to insert the following:

NATIONAL PARK SERVICE

Salaries and expenses, National Capital parks: For an additional amount, fiscal year 1943, including the objects specified under this head in the Interior Department Appropriation Act, 1943 (Public Law 645, 77th Cong.), \$15,000.

The amendment was agreed to.

Mr. McKELLAR. I send to the desk an amendment which I ask to have stated. This is the amendment which the Senator from Oregon [Mr. McNARY] asked to go over yesterday.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 37, line 18, after "\$320,000" and before the period, it is proposed to insert the following: "of which \$40,000 is hereby made available, without regard to civil-service and classification laws, for salaries of members and other employees of the Visa Board of Appeals: *Provided*, That salaries may be paid to the members of the board at a rate not exceeding \$10,000 per annum."

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Tennessee.

The amendment was agreed to.

Mr. McKELLAR. I submit another amendment, and after it has been stated I wish to explain it.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 31, after line 7, it is proposed to insert the following:

The appropriations "Maintenance and operation of air navigation facilities," Office of Administrator of Civil Aeronautics, and "Salaries and expenses," Weather Bureau, contained in the Department of Commerce Appropriation Act, 1943, shall be available, under regulations to be prescribed by the Secretary of Commerce, for furnishing to employees of the Civil Aeronautics Administration and the Weather Bureau in Alaska free emergency medical services by contract or otherwise and medical supplies, and for the purchase, transportation, and storage of food and other subsistence supplies for resale to such employees, the proceeds from such resales to be credited to the appropriation from which the expenditure for such supplies was made; and appropriations of the Civil Aeronautics Administration and the Weather Bureau contained in said act, available for travel, shall be available for the travel expenses of appointees of said agencies from the point of engagement in the United States to their posts of duty in Alaska.

Mr. McKELLAR. Mr. President, I wish to say that this amendment does not involve a new appropriation. It simply makes an appropriation, which has already been provided for the Department of Commerce, available for the purpose of providing food supplies and medical supplies, and transportation to outlying stations in Alaska. The reason for that is that the employees in question cannot get those supplies now as they did heretofore. The supplies have to be transported in the summertime, in order to be available to the several stations during the long winter.

I ask to have placed in the Record at this point a letter dated July 15, 1942, addressed to me by Charles I. Stanton, Acting Administrator of Civil Aeronau-

tics, Department of Commerce, in which he asks for this appropriation. I also ask to have inserted at this point a letter from the Acting Director of the Bureau of the Budget, addressed to the senior Senator from Virginia [Mr. GLASS].

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

DEPARTMENT OF COMMERCE,
CIVIL AERONAUTICS ADMINISTRATION,
Washington, July 15, 1942.

MEMORANDUM

To Senator Kenneth McKellar.
From Charles I. Stanton.

In response to your request for information concerning the need of the Civil Aeronautics Administration for enabling legislation to permit the purchase, transportation, and resale of foodstuffs and medical supplies for Administration personnel employed in the Territory of Alaska, the following statement is submitted:

At the time when our supplemental appropriation was requested, military operations, which our facilities service, had not reached the present scale and we were utilizing the commissary facilities of other Federal agencies which have now advised that they can no longer serve us in this respect because of shortage of help and increase in work-load of their own operations. A critical situation has developed, based on inability to provide necessary food supplies, medical supplies, and transportation to outlying stations and, in the absence of enabling legislation, the operation of many stations serving the war effort must be suspended.

The extension of credit to employees hitherto procurable from sources in the United States is no longer available, and it appears necessary that the United States Government step in where banking and commercial sources have suspended operations and provide for the purchase, distribution, and resale of such essential commodities.

Some idea of the magnitude of the need can be expressed by the statement that out of 36 stations covering the entire Territory, only 5 can be reached by common carrier the year around; the remaining 33 are without any adequate transportation service at this time, other than by air.

After an exhaustive analysis of the problem facing the Administration in the successful prosecution of its duties under law, and in support of the war effort, it is my considered judgment that the only feasible solution of the problem is afforded by the enactment of the emergency legislation described above.

C. I. STANTON,
Acting Administrator of Civil Aeronautics.

JULY 15, 1942.

HON. CARTER GLASS,
Chairman, Committee on Appropriations,
United States Senate,
Washington, D. C.

MY DEAR SENATOR GLASS: The Acting Secretary of Commerce has satisfied the Bureau of the Budget that there is an emergent necessity for a grant of authority by the Congress to utilize certain of the appropriations for the fiscal year 1943 of the Civil Aeronautics Administration and the Weather Bureau for the furnishing to employees of these agencies in Alaska free emergency medical services, the sale to such employees of subsistence supplies, and the payment of travel expenses of appointees of said agencies from the point of engagement in the United States to their post of duty in Alaska.

As you are aware, the operations of the Civil Aeronautics Administration and the Weather Bureau in Alaska are closely interrelated with those of the Army and the Navy in the defense of that Territory and its use as a base for purposes of offense. Repre-

sentatives of the Department of Commerce have been authorized to request of your committee the insertion in the pending First Supplemental National Defense Appropriation Act, 1943, of the following language as being in accord with the program of the President:

"The appropriations 'Maintenance and operation of air navigation facilities', Office of Administrator of Civil Aeronautics, and 'Salaries and expenses', Weather Bureau, contained in the Department of Commerce Appropriation Act, 1943, shall be available under regulations to be prescribed by the Secretary of Commerce, for furnishing to employees of the Civil Aeronautics Administration and the Weather Bureau in Alaska free emergency medical services by contract or otherwise and medical supplies, and for the purchase, transportation, and storage of food and other subsistence supplies for resale to such employees, the proceeds from such resales to be credited to the appropriation from which the expenditure for such supplies was made, and appropriations of the Civil Aeronautics Administration and the Weather Bureau contained in said Act, available for travel, shall be available for the travel expenses of appointees of said agencies from the point of engagement in the United States to their posts of duty in Alaska."

Very truly yours,

Acting Director.

The PRESIDING OFFICER. The question is on agreeing to the amendment submitted by the Senator from Tennessee [Mr. McKellar].

The amendment was agreed to.

MRS. CLAUD TUCK—CONFERENCE REPORT

Mr. ELLENDER submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1694) for the relief of Mrs. Claud Tuck, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its amendments to the text of the bill, and to the title of the bill.

PRENTISS M. BROWN,
ALLEN J. ELLENDER,
ARTHUR CAPPER,

Managers on the part of the Senate.

EUGENE J. KEOGH,
THOMAS D. WINTER,

Managers on the part of the House.

The report was agreed to.

ESTATE OF ORION KNOX, DECEASED

The PRESIDING OFFICER (Mr. LUCAS in the chair) laid before the Senate a message from the House of Representatives announcing its disagreement to the amendment of the Senate to the bill (H. R. 4923) for the relief of the estate of Orion Knox, deceased, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. ROSIER. I move that the Senate insist upon its amendment, agree to the request of the House for a conference, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. BROWN, Mr. TUNNELL, and Mr. CAPPER conferees on the part of the Senate.

ALEX GAMBLE

The PRESIDING OFFICER laid before the Senate a message from the House of

Representatives announcing its disagreement to the amendment of the Senate to the bill (H. R. 6410) for the relief of Alex Gamble, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. ROSIER. I move that the Senate insist upon its amendment, agree to the request of the House for a conference, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. BROWN, Mr. ROSIER, and Mr. CAPPER conferees on the part of the Senate.

FIRST SUPPLEMENTAL NATIONAL
DEFENSE APPROPRIATIONS

The Senate resumed the consideration of the bill (H. R. 7319) making supplemental appropriations for the national defense for the fiscal year ending June 30, 1943, and for other purposes.

The PRESIDING OFFICER. The bill is before the Senate and open to further amendment.

Mr. THOMAS of Oklahoma. Mr. President, I offer an amendment, which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Oklahoma will be stated.

The CHIEF CLERK. On page 35, after line 20, it is proposed to insert:

Recreational Resources of Denison Dam and Reservoir Project, Texas and Oklahoma: For the completion of a survey, investigation, and plan for the utilization of the recreational resources of the Denison Dam Reservoir in accordance with the act approved June 23, 1936 (49 Stat. 1894) fiscal year 1943, \$10,000.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Oklahoma.

The amendment was agreed to.

Mr. RUSSELL. Mr. President, I move that the Senate reconsider the vote by which the committee amendment on page 11, beginning in line 2, as amended, was agreed to. The amendment requires the confirmation by the Senate of appointees in the Office of Civilian Defense receiving salaries in excess of \$4,500 per annum.

It seems to me to be the height of absurdity to insert this amendment requiring confirmation of officials in the Office of Civilian Defense who receive more than \$4,500 a year, and leave out the War Production Board, the Office of Price Administration, and the War Manpower Commission, for which appropriations are also made in this bill. Either there is a principle involved which should require the Senate to confirm as to all agencies or there is no principle involved in requiring Senate confirmation, as some Senators have insisted in the past. There can be no reason on earth for singling out the Office of Civilian Defense and requiring the confirmation of appointments in that Office, while no such requirement is made in the case of the other agencies provided for in the bill. I think we ought to show some pretense of dealing equally with all agencies.

Mr. McKellar. Mr. President, let me say to the Senator that there is quite a difference between the Office of Civilian Defense and the other agencies mentioned. Early last spring we appropri-

ated \$100,000,000 for the Office of Civilian Defense. Three million dollars was for administrative expenses; and yet appointments in that agency were not provided for out of the administrative fund, but were provided for out of funds received from other sources. We had the same provision in the last law. Salaries were paid from other moneys, and the law was beaten around the bush in that way.

Under those circumstances it is certainly proper that the Senate should confirm the appointments. I hope the Senate will reject the motion to reconsider.

Mr. RUSSELL. Mr. President, if I correctly recall the terms of the act, the Director of the Office of Civilian Defense must now be confirmed by the Senate. Surely the individuals who are employed in that office are in no wise responsible for the fund from which their salaries are paid. We cannot hold any such irregularity against them. The Senate would make itself ridiculous if it should single out one agency and vote against confirming a man if he were paid by his superior from a fund from which he should not be paid. The employee is not responsible for that. If there is any wrongdoing involved it certainly should be attributed to the director of the agency, and not to the employees.

This appropriation is for the salaries and expenses of the Office of Civilian Defense. The appropriation is \$7,447,075. In the bill we have an appropriation for the War Production Board of some \$68,000,000 for salaries and expenses, and we require no Senate confirmation of employees of that agency. The bill contains an appropriation of \$125,000,000 for the Office of Price Administration, and the Senate has just said that it would be unnecessary and improper to require confirmation of the employees of that agency. The bill also contains an appropriation of some \$70,000,000 for the War Relocation Authority, and yet there is no requirement that the employees of that agency be confirmed by the Senate.

Mr. McKELLAR. Mr. President, a point of order.

The PRESIDING OFFICER. The Senator will state it.

Mr. McKELLAR. Did the Senator vote against the amendment?

Mr. RUSSELL. I voted in the negative.

Mr. McKELLAR. My point of order is that, having voted in the negative, especially inasmuch as we had a yea-and-nay vote and the amendment was agreed to, I do not believe the Senator is in a position to make the motion to reconsider.

Mr. RUSSELL. I admit that the point of order is well taken, and that I am not eligible to make the motion; but I hope some Senator who voted in the affirmative will make the motion in view of the action of the Senate on these other amendments.

The PRESIDING OFFICER. The point of order is sustained.

Mr. RUSSELL. I recognize the validity of the point of order.

Mr. McKELLAR. We have already had a yea-and-nay vote on the amendment.

Mr. RUSSELL. At that time the other amendments had not been disposed of. I hope that some Senator who voted with the majority on this question will make the motion to reconsider the vote by which the amendment was agreed to.

Mr. BONE. Mr. President, I rise to make such a motion. I voted in the affirmative on the other proposal. I am constrained to agree with my brother from Georgia. I think we are making fish of one and fowl of the other in handling these things. We have voted dozens of times for Presidential appointment and senatorial confirmation.

I move that the Senate reconsider the vote by which the committee amendment on page 11, line 2, as amended, was agreed to.

Mr. BARKLEY. Mr. President, in view of the situation to which the Senator from Georgia and the Senator from Washington have called attention, I think it might be advisable for me to make a brief statement about the matter.

I agree in principle with both Senators. When I discussed these amendments a few days ago and expressed my opposition to the amendments as they were reported, as well as to certain other amendments which affected what seemed to me to be an unworkable and unenforceable provision with respect to manufactured products, they all went over. In the meantime the Committee on Appropriations and I sought to work out an agreement by which justice might be done to all these questions without a long-drawn-out discussion and a delay in the passage of the bill.

I think the committee has shown considerable wisdom, as well as magnanimity, in the position which it has taken. Practically all the controversial items have been reasonably and satisfactorily adjusted. No one got everything he wanted, but everyone got something.

In regard to the item for the Office of Civilian Defense, I had a conference with Mr. Landis, the Director of that agency. His concern grew out of the fact that the amendment as reported would make it necessary for the President to reappoint all those who were already in the Office of Civilian Defense and were receiving more than \$4,500, and to send their names to the Senate for confirmation. The same thing would have applied to the Office of Price Administration.

While I am not in a position to say that Mr. Landis did not object to senatorial confirmation of future appointments, he did insist that an amendment be agreed to which would limit senatorial confirmation to future appointments, because if all the men and women—if there are any women in his Department—receiving \$4,500 a year or more, who have been there from the beginning, some of whom he inherited from his predecessor, had to be reappointed and confirmed, great confusion and uncertainty would result. He indicated that if that provision were eliminated he would be satisfied. I do not infer from that, and I would not want the Senate to conclude, that he favored senatorial confirmation

with respect to future appointments; but he did not make any point of it.

In our effort to work out this situation, inasmuch as the Office of Price Administration comes more intimately in touch with the affairs of everyone in business and of the people generally, and there is certain well defined public sentiment on the subject, and inasmuch as it has been charged that the Senate is seeking to get control of appointments through the process of confirmation, I felt that if we could eliminate all confirmations for the other offices and eliminate the necessity for the reappointment and confirmation of those already in the Office of Civilian Defense, we should be doing a fairly good job. That has been done.

I agree with the Senator from Georgia that the same principle should be applied to all agencies. I do not make any contention at all about that. So far as I am concerned, if I had my way about it and could have written the language in the bill, I should not have had in the bill a provision requiring confirmation of appointments in any of these agencies; but in view of the situation which existed, and the controversial matters which were involved, it seemed advisable and wise to try to work out an accord. That was a part of it.

I felt that that statement should be made. I do not know how many would be affected or how many future appointments may be made in the Office of Civilian Defense; but certainly it was a great relief to the Office of Civilian Defense to have eliminated a requirement for confirmation which would have been retroactive and would have applied to all those now in that agency.

Mr. RUSSELL. Mr. President, the statement made by the Senator from Kentucky would make it all the more ridiculous for the Senate to refuse to reconsider the amendment. The Senator says that the amendment as it now stands would require confirmation only in the case of future appointments. We have eliminated the requirement that the Senate confirm these employees receiving above \$4,500 except in the case of one of the smallest agencies and modified the Senate amendment as to that agency so as to render it ineffective. Instead of having applied the requirement of confirmation to sustain a principle, it was done in a compromise which relieved the Office of Price Administration from the requirement of confirmation, and not because of any real reason why the Office of Civilian Defense should be singled out from among a number of agencies and have its employees confirmed. I insist that the Senate will be entitled to all the condemnation which has been heaped upon it for attempting to play politics with appointments if we do not reconsider the amendment relating to the confirmation of employees of the Office of Civilian Defense. We should either reconsider as to this one relatively small agency or we should write a special section in the bill requiring confirmation by the Senate of employees of all the agencies who receive salaries in excess of the limitation set. It is very apparent that

we are not going to do that. Certainly the least we can do and still bear any semblance of consistency is to reconsider the action on this amendment and leave the Office of Civilian Defense on the same basis as other agencies included in the bill. The appropriation for the Office of Civilian Defense is one of the smallest provided for any of the agencies. Certainly there is no reason for singling it out, because it is not as powerful as others in effecting some compromise and saying, "We will require you to come to the Senate for confirmation and allow the more powerful agencies to escape such requirement."

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Washington [Mr. BONE] to reconsider the vote by which the committee amendment on page 11, beginning in line 2, as amended, was agreed to. [Putting the question.] The "ayes" seem to have it.

Mr. RUSSELL. I ask for a division.

On a division, the motion was agreed to.

Mr. McKELLAR. I suggest the absence of a quorum. I desire to have a record vote on the amendment.

The PRESIDING OFFICER (Mr. ELLENDER in the chair). The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Ellender	Pepper
Andrews	George	Radcliffe
Bailey	Gerry	Reynolds
Ball	Gillette	Rosier
Barkley	Russell	Russell
Bilbo	Guffey	Schwartz
Bone	Curney	Spencer
Bridges	Hayden	Thomas, Idaho
Brooks	Johnson, Calif.	Thomas, Okla.
Burton	Lee	Thomas, Utah
Byrd	Lucas	Tobey
Caraway	McKellar	Tydings
Chandler	McNary	Vandenberg
Chavez	Maloney	Van Nuys
Clark, Idaho	Maybank	White
Clark, Mo.	Mead	Wiley
Connally	Norris	Willis
Danaher	Nye	
Downey	O'Mahoney	

The PRESIDING OFFICER. Fifty-five Senators having answered to their names, a quorum is present.

PAYMENT OF ATTORNEYS' FEES IN NORTH DAKOTA SENATORIAL ELECTION CASE

Mr. LUCAS. Mr. President, I desire to invite the Senate's attention to Senate resolution 268. It is Calendar No. 1572. The resolution was reported from the Committee on Privileges and Elections, and was referred to the Committee to Audit and Control the Contingent Expenses of the Senate. It would authorize the Senate to pay certain attorneys' fees in the case of the contest of the election of the Senator from North Dakota [Mr. LANGER]. I hope to have the resolution taken up for consideration on Monday next, for disposition by the Senate.

PAYMENT TO MEMBERS OF CAPITOL POLICE ENTERING THE ARMED FORCES—REPORT OF A COMMITTEE

Mr. LUCAS. Mr. President, from the Committee to Audit and Control the Contingent Expenses of the Senate, I ask unanimous consent to report favorably Senate Resolution 269, and ask unani-

mous consent for its immediate consideration. The resolution is not long, and its consideration will take only a brief time.

The PRESIDING OFFICER. The resolution will be received and will be stated for the information of the Senate.

The LEGISLATIVE CLERK. A resolution (S. Res. 269) to pay certain members of the Capitol Police force entering the armed forces of the United States for accumulated unused leave.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

Mr. TOBEY. Mr. President, will the Senator from Illinois tell me what the resolution is?

Mr. LUCAS. The resolution involves the question which arises when employees of the Senate have earned a certain amount of money for leave which has been accumulated. It is my understanding that recently a law was enacted permitting other Federal employees to be paid for accumulated leave upon entering the armed forces. Under existing law, employees of the executive branch of the Government are permitted to obtain the money which has accumulated to them as a result of the leave earned. The resolution would grant the same privilege to members of the Capitol Police force. If the resolution will create any argument, I shall withdraw my request for its present consideration.

Mr. TOBEY. No; there is no argument. I merely wished to ascertain whether the resolution came from the Committee to Audit and Control the Contingent Expenses of the Senate. Is that correct?

Mr. LUCAS. That is correct.

Mr. TOBEY. Then I should like to make an observation.

Mr. LUCAS. I shall not yield for a speech.

Mr. TOBEY. Will the Senator from Illinois do me the courtesy of yielding to me so that I may make a few remarks for about 3 minutes?

Mr. LUCAS. Does the Senator desire to ask a question?

Mr. TOBEY. Yes; I wish to ask a question relative to the general procedure in connection with such resolutions.

Mr. BARKLEY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. BARKLEY. May a new matter be brought up for action without temporarily laying aside the pending business?

The PRESIDING OFFICER. The Senator from Illinois has requested unanimous consent for the present consideration of the resolution.

Mr. BARKLEY. Will the Senator from Illinois advise the Senate whether there is any hurry to have the resolution considered? The Senate is about to vote on an important bill.

Mr. LUCAS. There is no hurry. Let me say to the Senator that this is the first time that one of the ordinary resolutions which I have taken up with the majority leader and the minority leader has been questioned. As a result of previous experience with similar resolutions, I thought we could dispose of the reso-

lution in a few moments. However, I withdraw my request for its present consideration.

Mr. TOBEY and Mr. MALONEY addressed the Chair.

Mr. LUCAS. I yield to no one. I withdraw my request for present consideration of the resolution, and shall renew the request in due course.

Mr. TOBEY. Mr. President, I wish to take this occasion to make a few observations, because I am a member of the Committee to Audit and Control the Contingent Expenses of the Senate, although an inconspicuous and unconsulted one. In January 1942, when the Senate committees were made up, the Republican conference met and proceeded to fill minority vacancies on the standing committees. We will not go back into past history too far and quote the former chairman of the Committee to Audit and Control. Suffice it to say that I have been the minority member of that group since January 1942. I may add that not once since January 1942 have I been called to a meeting of that committee, and only on one occasion, and only in some small matter, did I have any consideration at all.

If that is the way the business of the Senate is to be conducted, I want to know it. I do not think it is according to Hoyle or in accordance with the Senate rules or the Constitution. I take this opportunity to shed a little light on the subterranean methods used in doing business in Senate committees without the members knowing what is going on; and this has particular reference to the present chairman of the Committee to Audit and Control the Contingent Expenses of the Senate.

Mr. LUCAS. Mr. President, if I may have the floor for a moment, I regret that the Senator from New Hampshire is so much offended because he has not been invited to take part in the consideration of some of these minor resolutions, which involve the appointment of clerks for small committees, or taking care of some men who are now getting ready to leave the Capitol—faithful employees who are about to enter the armed service of the country. I thought I was doing the Senator from New Hampshire a favor in not calling him in to consult about small matters of that kind. I know how busy he is as a Member of the United States Senate. He has many duties in his home State to look after. I appreciate what he has said, and the Senator may rest assured that whenever the committee does have a meeting I shall be glad to advise him. We have not had a meeting since I have been chairman.

Mr. TOBEY. Mr. President, does that mean this standing committee of the Senate is a one-man band? The Senator says he has had no committee meeting since he has been chairman. I think the rules of the Senate give consideration to the minority. Sometimes minorities have been right. More often it has been majorities, perhaps. At least we should be considered and consulted, and be courteously treated.

The Senator says they are small matters. There have been larger matters,

but wherever they come from, when they come to that committee, I have not had any knowledge of them, and I do not believe that is proper procedure. I think it contravenes the rules.

Mr. LUCAS. I do not care to prolong the argument at all. I regret that the Senator from New Hampshire does not understand my position. The chairmanship of this committee has given to me added responsibilities and work rather than glory or power. I did not seek the position, or campaign for it. So far as I am concerned, anyone can have it tomorrow, with all the grief that is connected with the position.

We have before us many resolutions at the present time, and I have already conferred with the Senator from Arizona [Mr. HAYDEN] and the Senator from Maryland [Mr. TYDINGS] about calling the committee together for the purpose of considering the serious resolutions and questions of policy which are now pending before us.

I have been told about the time when Mr. George Moses, a Senator from the Senator's own State, was chairman of the committee. I have been told that he never held a meeting in all the time he was chairman of the committee. It is my understanding that on minor committee matters it was his custom to consult with at least a majority of the members, just as my predecessor did, to determine whether a particular policy or resolution was agreeable to them.

I have conferred with the Senator from New Hampshire on matters in which a good deal of money was involved. I did not think he wanted to be annoyed, considering all the troubles he has on the other side of the aisle, with a simple resolution like the one I attempted to present a few moments ago.

Certainly if the Senator is offended, if he considers this such an important matter, from now on I shall make certain that he is notified every time we hold a meeting.

I repeat, insofar as the Senator from Illinois is concerned, I did not seek this responsibility, but I am attempting to handle the duties of the chairmanship as best I know how, and I have always had a majority with me, notwithstanding the remarks of the Senator from New Hampshire.

Mr. TOBEY. Mr. President, I do not desire to prolong the controversy. Suffice it to say that I will give the Senator from Illinois a certificate magna cum laude as a past master of evading the question.

I now bring to the attention of the Senate, page 8 of the calendar, Calendar No. 1572, Senate Resolution 268, submitted by the Senator from Rhode Island [Mr. GREEN], a "resolution authorizing the payment of certain obligations incurred in connection with the right of WILLIAM LANGER to a seat in the Senate from the State of North Dakota."

That was a fairly important matter, involving the payment of a fairly large sum of money. This is the first time I have heard of it. I was never consulted about it.

These matters are not large or important, but there are certain rules proper

in the transaction of business, and I submit to Senators on the other side, as well as on this side, that we cannot get away from the fact that the Committee to Audit and Control is a Senate committee, some members of which have never been consulted in connection with important matters. With the kindest of feelings I submit to the Senator from Illinois that there is a proper way to do business, and I ask him to go along in a proper way from now on.

Mr. LUCAS. Mr. President, I merely want to call the attention of the Senator from New Hampshire to the fact that, so far as the William Langer case is concerned, the matter was laid before the United States Senate by the chairman of the Committee to Audit and Control the Contingent Expenses of the Senate without consulting any Member for the sole purpose of having the United States Senate pass upon that question. It is now on the calendar for that very purpose, because it was my opinion that the Senate should consider and pass upon the resolution. When the Senator rises and makes remarks about the Langer case such as those he has made, he demonstrates that he is not fully advised as to what has been happening.

FIRST SUPPLEMENTAL NATIONAL DEFENSE APPROPRIATIONS

The Senate resumed the consideration of the bill (H. R. 7319) making supplemental appropriations for the national defense and for the fiscal year ending June 30, 1943, and for other purposes.

Mr. McKELLAR. Mr. President, I am very sorry that the Senator from Georgia [Mr. RUSSELL], a member of the committee, brought this question up. I am quite sure if he had been before the committee he would not have made the motion. I am equally sure that if the Senator from Washington [Mr. BONE] had been before the committee he would not have made the motion, and I am now compelled to give the reasons.

I read from the testimony of Mr. Landis:

Senator McKELLAR. I want to ask about the first officer you have here, the Chief Civilian Defense Adviser, detailed in London, \$6,500.

Mr. LANDIS. Yes.

Senator McKELLAR. Marc Peter. Does Mr. Peter live in London?

Mr. LANDIS. Yes; he is assigned to London. He is our contact with the Ministry of Home Security there. His business is to keep in constant contact with every new development in the technical phases of civilian defense in London. I suppose I get a batch of reports from him 3, 4, or 5 inches thick every week.

Senator McKELLAR. Is he an American citizen?

Mr. LANDIS. Yes; he is an American citizen.

Senator McKELLAR. Where did he come from? He used to be a foreign minister. That is the reason I ask. It seems peculiar your having an ex-foreign minister to this country serving you in the capacity of Civilian Defense Adviser.

Mr. LANDIS. He is the son of the well-known Marc Peter.

Senator McKELLAR. It does not say "junior." I supposed it was the Marc Peter I have known around here ever since I have been in Congress, as the Minister from Switzerland, was it not?

Mr. LANDIS. That is right.

Senator McKELLAR. Has this man transferred his citizenship from Switzerland to America?

Mr. LANDIS. Yes; I should say 10 or 12 years ago he became an American citizen. Senator McKELLAR. And this is not the senior Marc Peter?

Mr. LANDIS. No; it is not the senior Marc Peter.

Senator McKELLAR. What else is he doing, besides working for the Office of Civilian Defense?

Mr. LANDIS. Nothing else.

Senator McKELLAR. When was he appointed?

Mr. LANDIS. He was appointed last September. I appointed him myself when I was regional director in New England. He is a man of extraordinary competence. He had been studying the subject of civilian defense for 2 years; he was very familiar with its workings in Paris. He had the unusual capacity of being an architect as well as a businessman. He had quite an educational background and then the practicing experience as an architect and engineer, and I thought he was one of the best men I had up in that office, and when Lieutenant Bingham, who occupied this position prior—

Senator McKELLAR. At that time he was without salary, was he not, when he was up in New England?

Mr. LANDIS. No; he was on salary then.

Senator McKELLAR. When did he go to London?

Mr. LANDIS. I should say 6 or 7 weeks ago, maybe longer.

Senator McKELLAR. When you sent him as your representative, even though he may have been employed by you before, was his name sent into the Senate as required by the act?

Mr. LANDIS. No; his name was not sent into the Senate, Senator.

Senators must remember that there is a provision in the law under which Mr. Landis received an appropriation of \$100,000,000, \$3,000,000 of which was to be used for administrative expenses. The law contained a provision that if appointees received more than \$4,500 per annum they should be confirmed by the Senate. Here was the admitted case of a man receiving \$6,500 a year, an appointment which must receive the confirmation of the Senate.

I continue to read:

Senator McKELLAR. Why wasn't it, when he was appointed to take that place?

Mr. LANDIS. Because he does not come within the provisions of that act.

Senator McKELLAR. You are not paying him out of this \$100,000,000?

Mr. LANDIS. No.

Senator McKELLAR. What fund are you paying him out of?

Mr. LANDIS. That comes out of the general appropriation made to the Office for Emergency Management last year.

Senator McKELLAR. Emergency Management. I can easily see from what you are telling me that it is very hard for us to keep up with these matters. We assumed when we appropriated this \$100,000,000 last year that you were going to use \$3,000,000 of it for administrative expenses, and officials you have in London are certainly administrative expense.

Senators, remember this man was appointed 6 or 7 weeks before.

Now, you tell us you get around sending their names into the Senate by paying them out of a fund from another department, which is, in plain language, beating the devil around the stump. His name, in all good conscience—and there is good conscience in government just as well as there is conscience

in dealing man to man—in all good conscience when you appointed this man to London you should have sent his name into the Senate under that act.

I pause in my reading long enough to say that Mr. Landis came before us and received from the Appropriations Committee \$100,000,000 for the O. C. D. He asked that \$3,000,000 of that appropriation be set up for expenses. There was a provision placed in the measure at the time that when an official was appointed by him who was to receive a salary of more than \$4,500, the nomination should be sent to the Senate and confirmed by the Senate. Instead of doing that Mr. Landis obtained money in some way from another department, and paid with that money salaries of appointees receiving over \$4,500. He paid them from another appropriation, so technically he could not be within the inhibition of the act. Do Senators think that is a proper thing to do?

Mr. BONE. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. BONE. I am at a loss to understand what all that has to do with Senate confirmation. What a man does after he is confirmed is the business of the head of the department. If he is guilty of some offense he could be punished. If the head of a department is guilty of maladministration, or malfeasance, or misfeasance, it is the duty of Congress to approach him and, it may be, handle him more roughly.

Mr. McKELLAR. Perhaps I have a wrong opinion of what is fair dealing.

Mr. BONE. I should be glad to have—

Mr. McKELLAR. Will the Senator wait 1 moment?

Mr. BONE. The Senator is taking issue with my motion, and I am trying to explain to him, if I may, at least by asking him the question what Congress has to do with a man after he is appointed? What I suggest is that we merely confirm an appointee; then after that, if he is guilty of maladministration, his boss is responsible. The Senate is not responsible for that.

Mr. McKELLAR. This man was not confirmed by the Senate, as required in the act, but Mr. Landis not only appointed him, but is still making similar appointments, and paying those whom he appoints from other appropriations. I will tell the Senate what I thought about it at the time, as well as what I think about it now. I continue to read:

Mr. LANDIS. Senator, we would not feel justified in paying him with funds that were allotted under that act.

After the Congress passed the law providing that appointees to offices paying in excess of \$4,500 a year shall be confirmed by the Senate, he obtains funds from another department, out of which he can pay officials more than \$4,500 a year, so it can be said, as he claims, that the money which went to the officer in London and to the other officers receiving more than \$4,500 a year, did not come out of the appropriation for which he himself directly asked for.

Mr. BONE. Mr. President, will the Senator yield?

Mr. McKELLAR. I will yield in a moment. I wish to explain the views I had then and the views I still have. I read further:

Senator McKELLAR. You may not feel that way—I know you are justified under the law, that the law gives you the right to do it—but you misled the Congress of the United States, or you certainly misled me into believing this \$3,000,000 was for the administration of your department for the 6 months or nearly 6 months after the passage of this bill.

That was the measure which was passed last winter.

You know, I take language as it is, and I do not undertake to be constantly thinking of some way to evade or to change or to dovetail in something else, and I had no idea you were using funds from another department to pay your administrative officers. Otherwise, I would have put in that provision, that when you pay salaries from any other department that they would have to come before the Senate. You can easily see, if you put your mind on it for a minute, Doctor, that you misled us into thinking that you were going to send the names of these officials in and you have not done it. I have nothing against Mr. Peter at all. I know his father, who was a very fine man. I also knew his mother. I have no objection to Mr. Peter. I am just using that as an example. That comes very close to the line, Doctor.

Mr. LANDIS. But, Senator, if we tried to put him on a roll which would be paid out of the funds allotted us under that bill the General Accounting Office would have held up his check.

Of course it would. If he had paid him out of the funds which Congress had allotted for administrative purposes, of course the General Accounting Office would have held up his check; but the trouble is that in some way he obtained a transfer of funds from the emergency control, and he pays all his officers who receive more than \$4,500 out of emergency funds which he obtained from some other agency. From the funds which were given him by Congress for all administrative purposes he pays only officers who receive less than \$4,500.

I do not consider it fair and square dealing to come before Congress and demand \$3,000,000 for administrative purposes, and then, when the Congress puts a limitation on him, to go to another department of the Government and obtain a fund from which he can pay persons who receive more than \$4,500, and use the fund for which he asked Congress for all purposes for paying those who receive less than \$4,500.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. CHAVEZ. I agree with the Senator that what he is now discussing is unfair; but it will continue until the Congress takes to heart its constitutional responsibility and says that such a thing may not be done, or until the Senate asserts itself and tells the Director of the Office of Civilian Defense, the Director of O. P. A., or the director of any other agency: "You may not do these things with money appropriated by the Congress

unless the appointments are confirmed by the Senate."

According to the information which has been given the Senate, the difficulty is that many an agency for which the Congress provides millions and even billions of dollars is functioning with lump sums. We say, "We will give you the money, and you may do the appointing, without nomination by the President and without the advice and consent of the Senate." We pass special laws and say to the Director of O. C. D., "You may not appoint anyone with the money we appropriate for you unless the nomination is made by the President and confirmed by the Senate"; but we say to the Director of O. P. A., "We will give you \$125,000,000, and you may do as you please." That is the difficulty. Congress should take its constitutional responsibility seriously and say to every agency, "Let us see what you look like; let the President of the United States appoint your high officials, and let the Senate advise and consent to the appointment." If we did that we should not have the difficulty which we have encountered with the Office of Civilian Defense.

Mr. McKELLAR. I entirely agree with the Senator that all officers receiving \$4,500 or more ought to be appointed by the President by and with the advice and consent of the Senate; but it is a question of what we can get. We have just seen what happened to another provision. There was no charge or admission of—shall I call it double dealing? Would that be too harsh a term to apply to it? I do not want to be too harsh, of course, but I wish to read how this happened:

Senator McKELLAR. I would like to have the amount and the organization from which you received it.

He was asking for \$100,000,000, and it was thought by a great many Senators that that was a very large sum. It was. He was given it in good faith by our committee.

Mr. LANDIS. We were allotted over the entire fiscal year from O. E. M. a total of \$4,091,629.

He did not say a word about that when he was asking for appropriations.

Senator O'MAHONEY. Do you expect any further allocations?

Mr. LANDIS. Not from the O. E. M.

Senator McKELLAR. Well, from where?

Mr. LANDIS. That is what this bill is for.

Senator O'MAHONEY. Then how are you going to pay this man's salary from now on?

Mr. LANDIS. It would have to come out of the funds under this pending appropriation.

Senator McKELLAR. From these funds?

Mr. LANDIS. Yes.

Senator O'MAHONEY. Then I assume you will send his name in for confirmation, if he is to be paid out of this fund.

Mr. LANDIS. If you will write in that provision.

He is appointing all his employees, and will continue to do so. He sent a representative to London, at a salary of \$6,500 and expenses, without consulting the Senate.

Mr. RUSSELL rose.

Mr. McKELLAR. I shall be glad to yield in a moment.

Let me continue with the reading:

Senator McKELLAR. It will certainly be written in, if I have anything to do with it, and I want compliance with it because this is undoubtedly a subterfuge, in plain language.

Does any Senator think that Mr. Landis' action was not a subterfuge? If the junior Senator from Georgia wishes to answer the question, I shall be glad to have him do so.

Mr. RUSSELL. I rose to address a question to the Senator from Tennessee. He requested me to defer it. Now I find that I am put on the stand. I have not followed the remarks of the Senator from Tennessee very closely. I know that he rode Mr. Landis quite hard about this incident. I disapprove of Mr. Landis' action.

Mr. McKELLAR. I am glad to hear the Senator say so.

Mr. RUSSELL. I heartily disapprove of it. However, I do not recall that the Senator from Tennessee went into the appropriation for the War Production Board, or the appropriation for any other agency, to find out all about its appointments. He did not offer any amendment requiring confirmation of such appointments in other agencies.

Mr. McKELLAR. I think we went very fully into that question when Mr. Nelson was before us. As I recall, he gave us a very full statement. There was nothing of this kind in it, because Mr. Nelson had not been guilty of what I call a subterfuge. It might be called sharp practice. That is what it would be called in law, at any rate. I do not approve of it.

Mr. RUSSELL. Neither do I; but the Senator from Tennessee did not offer an amendment to apply to any other agency. If I correctly understood the Senator from Kentucky [Mr. BARKLEY] a few minutes ago, he stated that, as amended, the limitation on appropriations would not apply except in the case of appointments hereafter made.

Mr. McKELLAR. That is true.

Mr. RUSSELL. The Senator from Tennessee not only abandons the limitation on the O. P. A. appropriation but he is abandoning the fight on Mr. Peter, because he is already in the employ of the Office of Civilian Defense, and his case would not be affected in any way whatever. The situation is left in worse shape than I had supposed it to be.

Mr. McKELLAR. The Senator is mistaken. The Senator from Wyoming [Mr. O'MAHONEY] asked Mr. Landis:

Senator O'MAHONEY. Then how are you going to pay this man's salary from now on?

Mr. LANDIS. It would have to come out of the funds under this pending appropriation.

Senator McKELLAR. From these funds?

Mr. LANDIS. Yes.

He must pay him out of these funds, because he says he has no other source of money.

Mr. RUSSELL. The Senator states that Mr. Peter is now working in that agency.

Mr. McKELLAR. Yes.

Mr. RUSSELL. He is now receiving his salary; and the limitation would apply only to appointments made hereafter.

Mr. McKELLAR. He could not receive it out of these funds.

Mr. CLARK of Missouri. Mr. President, I hold no brief for the Office of Civilian Defense or for its Administrator, although I think he is a very able man. Does not the Senator think that it is only fair to say, in connection with expenditures out of the \$3,000,000, that the General Accounting Office has ruled that the item of \$3,000,000 should be confined to administrative expenses in connection with purchase and distribution of the material authorized in the \$100,000,000 appropriation, and to nothing else?

Mr. McKELLAR. Something was said about that, but no such ruling of the Comptroller General was ever given to us. We asked for it, but it was never given to us.

Mr. CLARK of Missouri. Mr. President, I am simply going by Mr. Landis' statement before the Senator's committee. I think it should further be said in fairness to Mr. Landis that of the \$3,000,000, only \$643,000 has actually been allotted, of which \$480,000 went to the War Department, and the remainder of the \$643,000 was paid to the employees of the Office of Civilian Defense in connection with the procurement of the items specified in the \$100,000,000 appropriation. In other words, it is not a case of Mr. Landis' having spent for the general expenses of the agency the \$3,000,000 which had been given him by Congress. He spent a portion—\$643,000—for the purposes set forth in the act; and he had no other funds available, and would have had to close his whole agency if the President had not allotted him \$410,000 out of the funds available to the Office for Emergency Management out of a lump-sum appropriation which originally had been given to the President to use according to his own discretion. It does not seem to me to be fair to say that that was a subterfuge.

Mr. McKELLAR. Mr. President, it is a matter about which everyone has a right to have his own opinion. According to my view it was a subterfuge because when Mr. Landis got the \$100,000,000 appropriation, which included \$3,000,000 for administrative purposes, he led us to believe that that was the money which was to be used, and we undertook to put a limitation on its use. However, we did not succeed in limiting Mr. Landis, because Mr. Landis got some money from somewhere else, and paid the higher salaries out of that money, and paid the lower salaries out of the \$3,000,000.

If Senators think that was proper they have only to vote in accordance with their previous vote, for they have already voted on this matter by a yea-and-nay vote of 31 to 22. If they desire to change their opinions and to vote it out of the appropriation, that is for them to do. Every Senator should pass on the matter as to him may seem best. However, after the Senate agreed to the motion to reconsider the vote by which the amendment was agreed to—and up to that time I had not said a word about the matter—it was my duty to submit the facts which the committee had before it. Our committee did not think that the procedure indulged in was fair and square dealing, and we proposed the

amendment in order to correct the situation if we could do so. If Senators think we were wrong and that they were wrong in first voting for the amendment, certainly it is proper for them to vote in accordance with their belief. I ask for the yeas and nays on the amendment.

Mr. VANDENBERG. I second the demand for the yeas and nays.

The yeas and nays were ordered.

Mr. BONE. Mr. President, I have sought the floor in my own time because I did not want to intrude myself on the time of the Senator from Tennessee.

If the argument in support of the proposal rests upon the argument presented here, it has a very frail foundation. The fact that the Senate confirms the nomination of a man does not sanctify him or purify him or cause angelic pinfeathers to begin sprouting on his shoulder blades. He does not become a white-winged seraph because a number of Senators propose his appointment.

By the same token, a man does not become a scoundrel because a number of Senators oppose his appointment. Probably he remains what he was, no better and no worse. If a man is nominated by the President, confirmed by the Senate, and works in a department, and the head of the department does something he should not do—perhaps undertakes some oblique operation which even might be unlawful, such as juggling funds in paying salaries—will some Member of the Senate please tell me what that has to do with Senate confirmation? We have lambasted a straw man here. If Mr. Landis did something he should not have done, what has that to do with Senate confirmation of Mr. Peter? If Senators rest their votes for confirmation on that argument, they are resting their votes on a very flimsy argument. If Mr. Landis did something wrong, let Mr. Landis answer. However, what has Mr. Landis' action to do with the confirmation of Mr. Peter? The Senate should determine whether a man has done something wrong.

I do not think this is a life-or-death matter.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. BONE. I decline to yield. The Senator did not yield to me; and while I have the floor, I desire to finish what I have to say.

Mr. McKELLAR. I was willing to yield to the Senator.

Mr. BONE. I know that, but I did not want to annoy the Senator by requesting that he yield to me.

After his appointment, Mr. Peter received his salary, according to the Senator from Tennessee, out of the wrong fund; and that fact is now presented to us as an argument against Senate confirmation. If we were to confirm him, and if thereafter he received his salary from the wrong jack pot, how could we stop that? It is for the General Accounting Office or the proper Government officials to stop shenanigans of that kind. Senate confirmation or the absence of Senate confirmation would not stop such a thing.

Every Member of the Senate and every Member of the House of Representatives

knows that Members of Congress generally are receiving a great deal of unjust criticism from their constituents because of appointments made in various departments.

Whether they like it or not, most Members of Congress are being charged with personal responsibility for such appointments. Whether or not such criticism is just is a point I do not care to argue; but I know that practically every Member of Congress is now being criticized by his constituents because of appointments in the various departments.

If a Member of Congress is to be compelled to take the brunt of the criticism regarding appointments in the name of all that is reasonable he should at least have something to say in advance about the appointees; because we shall never argue our constituents out of the idea that we have had something to do with the appointments.

The dollar-a-year men in various agencies have made some appointments in my State which I thought were tragic. The men appointed hated some of the things they were called upon to regulate. That is the kind of dispassionate and objective attitude of mind which was evinced by some of the men appointed, and I think that some of the officials who appointed them were also far from being objective and reasonable.

If Senators desire simply to "wash out" Senate confirmation, that is quite agreeable to me. I voted "yea" on the other question. I shall vote "nay" now.

In all the years I have been a Member of this body I have been accustomed to voting for Senate confirmation of Presidential nominations of men for responsible positions. However, it was suggested to me that because Mr. Landis took out of the wrong jack pot the money to pay the salary of a man whose nomination was confirmed by the Senate, I should not vote to confirm the nomination. Even though the nomination were confirmed by the Senate, the head of the department could still take money out of the wrong jack pot.

It seems to me that we do not make out a very strong case when we seek to rest decision on the question of Senate confirmation on the basis which has been suggested. I think we should rest it on an entirely different thesis. It simply does not add up and make sense to say that because the head of a department has done wrong, Senate confirmation of the nomination of one of his subordinates is either wrong or right.

THE PRESIDING OFFICER. The question is on agreeing to the committee amendment, as amended, on page 11, line 2.

MR. McKELLAR. Was the request for the yeas and nays seconded?

THE PRESIDING OFFICER. Yes.

MR. RUSSELL. Mr. President, I should like to make a brief statement. The Senator from Tennessee has referred to the fact that the Committee on Appropriations was in favor of the amendment. I should like to point out that I am a member of that committee. I am very proud of my membership on the Committee on Appropriations. However, I should like to suggest further that the bill has been

rewritten in a great many particulars on the floor of the Senate since it came from the Committee on Appropriations. Therefore, in view of the fact that after the bill reached the floor of the Senate, through some agreement, about half the committee amendments were modified or abrogated in their entirety, I do not consider myself bound by any committee action.

I repeat, Mr. President, that we should either write at the end of the bill a new section applying equally to every agency for which appropriation is made, and requiring the confirmation of all employees in every one of the agencies, or we should vote against the proposed requirement.

MR. McKELLAR. Mr. President, will the Senator yield?

MR. RUSSELL. In a moment.

We should not single out this one agency whose appropriation is one of the smallest contained in the bill, and say that because Mr. Landis paid from funds duly allocated to him by the President a larger amount than his appropriation ordinarily allowed, therefore, we should require Senate confirmation of all appointments within that agency.

I am not here to defend Mr. Landis. I am not concerned with the question of his defense. However, I do not doubt that if Senators were to go through every one of the agencies, for some of which we have made appropriations much larger than the \$100,000,000 to which the Senator from Tennessee has referred, we should find a great many irregularities which would be much worse than the one to which the Senator from Tennessee has referred in the case of Mr. Peter.

Not only has the bill been rewritten in some particulars but the amendment now under consideration has been rewritten. The Senator from Kentucky stated that it did not apply to those who are already employed. Therefore, under the amendment, the status of the gentleman the Senator has in mind would not be changed in the slightest degree, because his nomination would not even be sent to the Senate for confirmation.

It seems to me, Mr. President, that in order that we may show some semblance of consistency the amendment should be rejected.

MR. McKELLAR. The Senator from Georgia has stated that we should have an amendment applying to all departments. I notice that he has not asked for one.

THE PRESIDING OFFICER. The question is on agreeing to the amendment on page 11, beginning in line 2 and ending with line 6, as amended. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll, and **MR. AIKEN** answered in the affirmative when his name was called.

MR. RUSSELL. A parliamentary inquiry. Is the vote on the adoption of the committee amendment requiring confirmation?

THE PRESIDING OFFICER. The vote is on the amendment as amended.

MR. RUSSELL. Those who wish to vote for the amendment will vote "yea," and those opposed will vote "nay"?

THE PRESIDING OFFICER. That is correct.

MR. AIKEN. I understand the question was on reconsideration.

THE PRESIDING OFFICER. That question has been disposed of. The question is now on agreeing to the amendment as amended.

The clerk will proceed with the calling of the roll.

The legislative clerk resumed calling of the roll.

MR. McNARY (when his name was called). Again announcing my pair and transfer, I vote "nay."

The roll call was concluded.

The result was—yeas 20, nays, 26, as follows:

YEAS—20

Bailey	Ellender	O'Mahoney
Barkley	George	Reynolds
Bilbo	Gerry	Rosier
Byrd	Hayden	Spencer
Caraway	Lee	Thomas, Okla.
Chandler	McKellar	Thomas, Utah
Connally	Maloney	

NAYS—26

Aiken	Danaher	Nye
Andrews	Guffey	Pepper
Ball	Gurney	Radcliffe
Bone	Hatch	Russell
Bridges	Lucas	Schwartz
Brooks	McNary	Thomas, Idaho
Burton	Maybank	Vandenberg
Chavez	Mead	Wiley
Clark, Mo.	Norris	

NOT VOTING—50

Austin	Hill	Shipstead
Eankhead	Holman	Smathers
Barbour	Hughes	Smith
Brewster	Johnson, Calif.	Stewart
Brown	Johnson, Colo.	Taft
Bulow	Kilgore	Tobey
Bunker	La Follette	Truman
Butler	Langer	Tunnell
Capper	Lodge	Tydings
Clark, Idaho	McCarran	Van Nuys
Davis	McFarland	Wagner
Downey	Millikin	Wallgren
Doxey	Murdock	Walsh
Gillette	Murray	Wheeler
Glass	O'Daniel	White
Green	Overton	Willis
Herring	Reed	

THE PRESIDING OFFICER. On this vote the yeas are 20 and the nays are 26. Less than a quorum having voted, under the rules it is necessary that the roll be called.

MR. BARKLEY. A parliamentary inquiry.

THE PRESIDING OFFICER. The Senator will state it.

MR. BARKLEY. When a quorum is not developed on a yea-and-nay vote, under the rules the roll must be called to develop a quorum. In this instance can the quorum call be postponed until tomorrow, instead of having it made today?

THE PRESIDING OFFICER. A motion to adjourn would be in order.

MR. McKELLAR. I make that motion.

MR. RUSSELL. Mr. President—

THE PRESIDING OFFICER. No debate is in order.

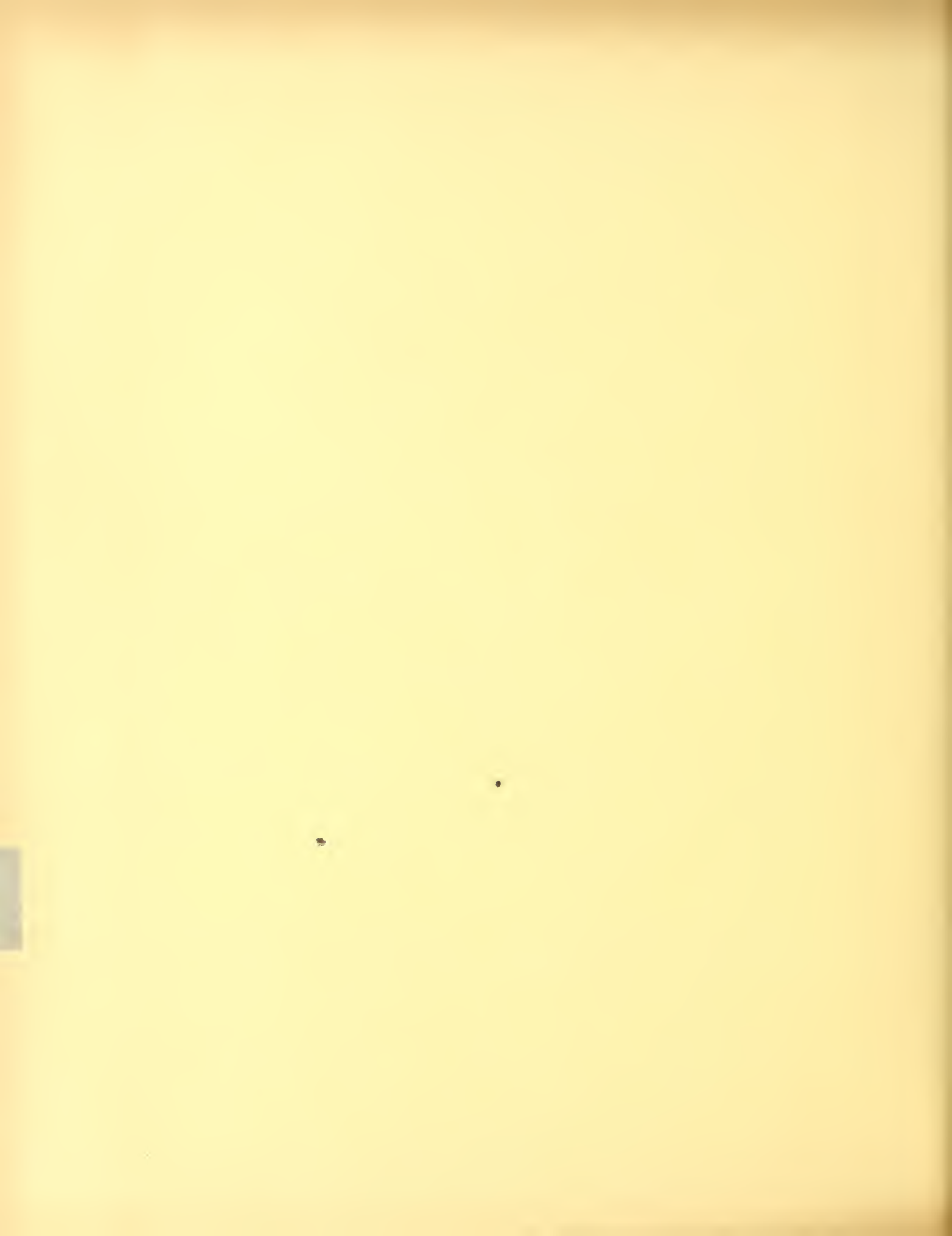
MR. BONE. Mr. President, I do not understand what the question is.

THE PRESIDING OFFICER. Not a sufficient number having answered to their names on the yea-and-nay vote, it is necessary that a quorum be developed.

ADJOURNMENT

MR. McKELLAR. Mr. President, a parliamentary inquiry.

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ADDRESS BY HON. ARCHIBALD MACLEISH BEFORE NATIONAL RETAIL DRY GOODS ASSOCIATION

[Mr. PEPPER asked and obtained leave to have printed in the Record an address delivered by Hon. Archibald MacLeish before the National Retail Dry Goods Association at Chicago on June 17, 1942, which appears in the Appendix.]

THE LITTLE STEEL CASE—ARTICLE BY DR. LEO WOLMAN

[Mr. BAILEY asked and obtained leave to have printed in the Record an article entitled "The Little Steel Case," written by Dr. Leo Wolman and published in the Washington Post of July 12, 1942, which appears in the Appendix.]

THE RAW-MATERIAL SITUATION

[Mr. BARBOUR asked and obtained leave to have printed in the Record a radio discussion between Mr. George E. Stringfellow and Mr. Lane W. Hildreth, over station WAAT, on July 8, 1942, which appears in the Appendix.]

SYNTHETIC RUBBER FROM WHEAT AND CORN—ARTICLE BY A. Q. MILLER

[Mr. CAPPER asked and obtained leave to have printed in the Record an article on the synthetic rubber problem, by A. Q. Miller, editor of the Belleville (Kans.) Telescope, which appears in the Appendix.]

CONGRESS AND ITS ENEMIES—ARTICLE BY JAY FRANKLIN

[Mr. BILBO asked and obtained leave to have printed in the Record an article entitled "Congress and Its Enemies," by Jay Franklin, which appears in the Appendix.]

FIRST SUPPLEMENTAL NATIONAL DEFENSE APPROPRIATIONS

The VICE PRESIDENT. The routine morning business is concluded.

Mr. McKELLAR. Mr. President, I move that the Senate resume the consideration of House bill 7319, the first supplemental national defense appropriation bill.

The motion was agreed to; and the Senate resumed the consideration of the bill (H. R. 7319) making supplemental appropriations for the national defense for the fiscal year ending June 30, 1943, and for other purposes.

The VICE PRESIDENT. The question is on agreeing to the committee amendment, on page 11, line 2, as amended. The yeas and nays have already been ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. McNARY (when his name was called). On this vote I have a pair with the junior Senator from Mississippi [Mr. DOXEY] who, if present, would vote "yea." I transfer that pair to the senior Senator from Ohio [Mr. TAFT], who if present would vote "nay," and I will vote. I vote "nay."

The roll call was concluded.

Mr. BARKLEY. I announce that the Senator from Delaware [Mr. HUGHES] is absent from the Senate because of illness.

The Senator from Missouri [Mr. TRUMAN] and the Senator from Washington [Mr. WALLGREN] are members of the Committee to Investigate National Defense, and are therefore necessarily absent.

The Senators from Alabama [Mr. BANKHEAD and Mr. HILL], the Senator from Michigan [Mr. BROWN], the Senator from South Dakota [Mr. BULOW], the Senators from Nevada [Mr. BUNKER and Mr. MCCARRAN], the Senator from New Mexico [Mr. CHAVEZ], the Senator from Mississippi [Mr. DOXEY], the Senator from Virginia [Mr. GLASS], the Senator from Iowa [Mr. HERRING], the Senator from Colorado [Mr. JOHNSON], the Senator from Arizona [Mr. McFARLAND], the Senator from Utah [Mr. MURDOCK], the Senators from Montana [Mr. MURRAY and Mr. WHEELER], the Senator from Texas [Mr. O'DANIEL], the Senator from Louisiana [Mr. OVERTON], the Senator from Maryland [Mr. RADCLIFFE], the Senator from New Jersey [Mr. SMATHERS], the Senator from South Carolina [Mr. SMITH], the Senator from Tennessee [Mr. STEWART], the Senator from New York [Mr. WAGNER], and the Senator from Massachusetts [Mr. WALSH] are necessarily absent.

I am advised that, if present and voting, the Senator from Maryland [Mr. RADCLIFFE] would vote "nay."

Mr. McNARY. I announce the following pairs on this question:

The Senator from Vermont [Mr. AUSTIN] who would vote "nay", with the Senator from New Jersey [Mr. SMATHERS], who would vote "yea";

The Senator from Minnesota [Mr. SHIPSTEAD], who would vote "nay", with the Senator from Iowa [Mr. HERRING], who would vote "yea";

The Senator from Massachusetts [Mr. LODGE], who would vote "nay", with the Senator from Virginia [Mr. GLASS], who would vote "yea"; and

The Senator from Nebraska [Mr. BUTLER], who would vote "nay", with the Senator from Delaware [Mr. HUGHES], who would vote "yea."

I also announce the following general pairs:

The Senator from Oregon [Mr. HOLMAN] with the Senator from Tennessee [Mr. STEWART]; and

The Senator from Kansas [Mr. REED] with the Senator from New York [Mr. WAGNER].

I also wish to announce that the Senator from North Dakota [Mr. LANGER] and the Senator from Nebraska [Mr. BUTLER] are necessarily absent.

The result was announced—yeas 30, nays 30, as follows:

YEAS—30

Andrews	Ellender	Maloney
Bailey	George	O'Mahoney
Barkley	Gerry	Reynolds
Bilbo	Gillette	Rosler
Byrd	Green	Spencer
Caraway	Guffey	Thomas, Okla.
Chandler	Hayden	Thomas, Utah
Clark, Idaho	Kilgore	Tunnell
Connally	Lee	Tydings
Downey	McKellar	Van Nuys

NAYS—30

Aiken	Danaher	Nye
Ball	Davis	Pepper
Barbour	Gurney	Russell
Bone	Hatch	Schwartz
Brewster	Johnson, Calif.	Thomas, Idaho
Bridges	Lucas	Tobey
Brooks	McNary	Vandenberg
Burton	Maybank	White
Capper	Mead	Wiley
Clark, Mo.	Norris	Willis

NOT VOTING—36

Austin	Hughes	Radcliffe
Bankhead	Johnson, Colo.	Reed
Brown	La Follette	Shipstead
Bulow	Langer	Smathers
Bunker	Lodge	Smith
Butler	McCarran	Stewart
Chavez	McFarland	Taft
Doxey	Millikin	Truman
Glass	Murdock	Wagner
Herring	Murray	Wallgren
Hill	O'Daniel	Walsh
Holman	Overton	Wheeler

The VICE PRESIDENT. On this question, the Senate being equally divided, the Chair votes in the negative.

So the committee amendment as amended was rejected.

The VICE PRESIDENT. The bill is open to further amendment. If there be no further amendment, the question is on the engrossment of the amendments and the third reading of the bill.

Mr. CLARK of Missouri. Mr. President, I have seen enough of the operations of the steamroller on this bill here in the Senate to know that the mind of the Senate is for the moment fixed on compromise rather than principle. I may say, therefore, I am not going to detain the Senate by offering an amendment on the proposition to which I desire very briefly to advert, but I do desire to call attention briefly to the fact that there is one provision in the bill, as passed by the House of Representatives and as reported by the Senate Committee on Appropriations, which I think Congress ought to be ashamed to enact into law. I refer to the provision on page 22, beginning with line 18, which provides:

Provided further, That such appropriation of \$75,000,000—

Or now \$125,000,000—

shall be so administered during the fiscal year 1943 as to constitute the total amount that will be furnished to such Administration during such fiscal year for the purposes set forth in this paragraph and shall not be augmented by allocations or transfers of funds from any other appropriation.

To my mind, Mr. President, that proviso in its first part is a fraud on the American people, and in the second part is an unwarranted reflection, and its adoption will be a vote of lack of confidence in the President of the United States.

Everyone knows that the first section of that proviso, providing that the appropriation herein made shall be so administered as to extend for the period of the whole year, and not call for any further appropriation of public funds, is absolutely ineffective, and everyone with any experience in Congress knows that it is ineffective, and not intended to be effective. I believe that Congress should, wherever possible, make original appropriations to insure that there would be no deficiencies. If I believed that such a provision would protect against the necessity for deficiency appropriations, I should be in favor of such a proviso in every appropriation bill. But everyone knows, Mr. President, that if the necessities of the situation develop to a point where Mr. Henderson thinks he has to spend more money, and the President and the Bureau of the Budget approve it,

the money will be spent, and then a deficiency appropriation bill will come before the Senate, and every Member of the Senate within the sound of my voice will vote for it, and so as to keep the record straight at that time I will remind Senators of the vote they cast today.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. CLARK of Missouri. I yield to the Senator from Tennessee.

Mr. McKELLAR. In this bill, as in all other appropriation bills, it is required that the heads of the departments shall in July make an allotment of the lump sum appropriations made to them, so as to furnish an amount for each month; not necessarily the same amount for each month, but to distribute the appropriations throughout the entire year in such a way as the head of the department may see fit to do. The Secretary of State, the Secretary of the Treasury, the Attorney General, and all other Cabinet officers, make such distribution, or have it done. Such a provision is contained in all appropriation bills. This is not a new proposition at all. The only thing new in it is the provision that appropriations shall not be made from other—

Mr. CLARK of Missouri. Mr. President, I am coming to that point in a moment.

Mr. McKELLAR. That appropriations shall not be made from other allotments or appropriations already made. The provision the Senator speaks of is well established in our law, in the law of appropriations; it is so well established that a penalty has been provided against those asking for appropriations over and above the allotments which are made. There is no doubt that if additional work must be done by the Price Administrator, or by any other Administrator, the Administrator can obtain a Budget estimate for the needed amount, which can be submitted to the Congress, and if the Congress considers it to be proper, a further appropriation can be made, in this case as well as in any other case.

Mr. CLARK of Missouri. No such provision is contained in the bill with respect to the other agencies.

Mr. McKELLAR. There is a law on the subject.

Mr. CLARK of Missouri. I am familiar with the law. However, this provision is specifically written into this appropriation bill with respect to a single agency. It is not found in the item for the War Manpower Commission in this very bill, or in the appropriation for the Office of Defense Health and Welfare Service, or that for the Office of Civilian Defense, or any of the numerous other agencies dealing with in the bill. This particular office is selected for this provision, coupled with the other provision in the same proviso, to the effect that this agency shall not have any funds from any other agency.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. CLARK of Missouri. I yield.

Mr. BARKLEY. Of course, the Senator from Missouri realizes that this language would be ineffective insofar as it

might be an attempt to bar Congress from making further appropriations.

Mr. CLARK of Missouri. That is precisely what I am pointing out. The Senator from Kentucky has no doubt that if it is necessary to spend more money a deficiency bill will be brought forward, and the Senator from Kentucky and I will both vote for it.

Mr. BARKLEY. If the Price Administrator should come to Congress later and ask for additional funds, and show us the need for them, he would be given the amount necessary to continue the work. So, in a sense, the Senator from Missouri is correct. The provision would not bind Congress, and it may be deceptive on its face.

Mr. CLARK of Missouri. I agree entirely with what the Senator from Kentucky says as to the effect of it. For that reason I say that it is a fraud on the American people.

Word goes out to the country that this particular agency has been tied up so that it cannot possibly spend more than \$125,000,000 in the next fiscal year, when we all know that that is not true and that it ought not to be true.

Mr. BARKLEY. I presume that the provision is put in this bill, and that similar provisions are put in other bills, as a sort of moral obligation on the Administrator to try to get along with the funds appropriated if he can do so.

Mr. CLARK of Missouri. It is put in as a law, Mr. President.

Mr. McKELLAR. It was put in by the House, and the Senate agreed to it.

Mr. CLARK of Missouri. I understand that it is a House provision.

The second portion of the proviso is as follows:

and shall not be augmented by allocations or transfers of funds from any other appropriation.

Mr. President, I say that that is an unwarranted vote of lack of confidence in the President of the United States.

The Congress has seen fit, with the almost universal support of the American people, to grant vast sums of money to the President to be used in his discretion for the purpose of the war effort. At the time these grants of authority, or so-called blank-check appropriations, were made to the President they were heralded all over the world as the greatest exhibition of confidence in the head of any government that had ever taken place in the history of the world.

In general, I have been opposed to blank-check appropriations. Personally, I voted for these blank-check appropriations with great reluctance and only because I believed that the exigencies of the situation demanded it. I do not believe that the President of the United States has misused the money which has been given to him in lump sums for the proper prosecution of the war. Yesterday we had a long argument as to whether the Administrator of the Office of Civilian Defense had been guilty of subterfuge because he had confined his expenditures for administrative purposes to the \$100,000,000 appropriation to the purposes of that act, namely, furnishing some physical equipment for civilian defense, and had depended upon an alloca-

tion from the President of the United States from lump-sum appropriations for his other administrative expenses. The same question is involved in this provision. It amounts to a criticism of the President of the United States for having made certain allotments to the Office of Price Administration for its administrative expenses up to this time.

While I realize that it would be futile to offer an amendment on this point, I desire to call attention at this time to the fact that the enactment of that provision is half fraud and half an unwarranted reflection on the way the President has handled the lump-sum appropriations.

Mr. NORRIS. Mr. President, will the Senator yield?

Mr. CLARK of Missouri. I yield.

Mr. NORRIS. I wonder why the Senator does not offer an amendment, if it is in order.

Mr. CLARK of Missouri. I very seriously considered that course. The reason I did not do so was that I did not think there was any chance of having it adopted.

However, to test the sentiment of the Senate, I now move to strike out the proviso beginning in line 17 on page 22 with the word "Provided" and extending through the word "appropriation" in line 24.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Missouri.

Mr. McKELLAR. Mr. President, I hope the amendment will not be agreed to. The proviso reads as follows:

Provided further, That such appropriation of \$120,000,000 shall be so administered during the fiscal year 1943 as to constitute the total amount that will be furnished to such Administration during such fiscal year for the purposes set forth in this paragraph and shall not be augmented by allocations or transfers of funds from any other appropriation.

That has been agreed to. I think it is very proper, and I hope the amendment will be rejected.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Missouri. [Putting the question.] The "noes" appear to have it.

Mr. NORRIS. Mr. President, I ask for the yeas and nays.

The yeas and nays were not ordered.

The amendment was rejected.

Mr. McNARY. Mr. President, 2 days ago when the bill was before the Senate for general discussion I complained about what I called apparent discriminations in the moneys allotted to four different units of the Government for payment of subsistence to those acting in advisory capacities. In two of the units I find an allowance of \$25 a day for subsistence and in two others an allowance of \$10 a day. I was trying to make the point that I could not see any difference in the character of the work or the type of the men engaged in the advisory work, and that there should be some common level for payment of the expenses of those acting in that capacity.

I shall not renew the argument. No one detests legislative inquests more than I do. However, in fairness to the secre-

tary of the National War Labor Board, let me say that in a letter which he wrote to me yesterday, and which I received this morning, he attempts to justify the discrimination. Without any agreement on my part with his judgment, I ask that the letter be printed in the RECORD at this point as a part of my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

NATIONAL WAR LABOR BOARD,
Washington, D. C., July 14, 1942.

Hon. CHARLES L. McNARY,
United States Senate.

MY DEAR SENATOR McNARY: It has been brought to my attention that certain questions have been raised with respect to the subsistence allowed under the Executive order to members of the National War Labor Board.

May I take the privilege of bringing to your attention a copy of a memorandum which I today sent to Mr. Everard H. Smith, clerk of the Senate Appropriations Committee?

Sincerely yours,

GEORGE KIRSTEIN,
Executive Secretary.

Mr. McNARY. I also ask to have printed in the RECORD, as a part of my remarks, two telegrams, one from the president of the Farm Bureau Federation and the other from the president of the National Cooperative Milk Producers' Federation, touching some matters which were very satisfactorily determined here yesterday.

There being no objection, the telegrams were ordered to be printed in the RECORD, as follows:

WASHINGTON, D. C.

CHARLES L. McNARY,
Senate Office Building,
Washington, D. C.:

Strongly urge your support of committee amendments to O. P. A. appropriation prohibiting payment of subsidies and requiring Administrator to carry out fully provisions of section 3 as intended by Congress. These provisions largely ignored in present overall price ceiling. We stand ready now as heretofore to support effective comparable controls of farm prices, wages, and industrial prices to prevent inflation. With no control of wages present over-all rigid price ceiling must be adjusted in conformity with statute or increasing wage and other costs will be rolled back on farmers and jeopardize adequate food production.

EDW. A. O'NEAL,
President, American Farm Bureau
Federation.

WASHINGTON, D. C., July 13, 1942.
Senator CHARLES L. McNARY,
Senate Office Building,
Washington, D. C.:

The executive committee of our federation, representing 270,000 dairy farm families in 40 States, urges you to vote against any appropriation for the administrative expenses for the Office of Price Administration until both the Price Administrator and the Secretary of Agriculture have complied with the plain provision of the act, which requires that no maximum price shall be set upon any agricultural commodities or commodities processed from agricultural commodities until after the Secretary of Agriculture has determined and published parity prices to producers adjusted regionally or the comparable prices thereof following public hearings prescribed in the act. We also urge you to vote against any appropriation for the Office of Price Administration where such ceilings on agricultural or processed agricultural commodities do not protect the minimum price ceilings on agricultural commodities as pre-

scribed in section 3 of the act. We are confident that the mandate of Congress to date has not been lived up to either by the Price Administrator or the Secretary of Agriculture, and farmers are suffering because of this neglect.

CHARLES W. HOLMAN,
Secretary, National Cooperative Milk
Producers Federation.

Mr. McKELLAR subsequently said: Mr. President, during the consideration of the appropriation bill just passed the Senator from Oregon [Mr. McNARY] asked me for certain information concerning per diems paid to certain commissioners in differing amounts. I promised to get him a report on the matter, and I did so, but it did not come to hand until just a few minutes ago, and I ask that it be printed in the RECORD.

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

NATIONAL WAR LABOR BOARD,
Washington, D. C., July 14, 1942.

MEMORANDUM FOR THE SENATE APPROPRIATIONS
COMMITTEE

In reply to your inquiry as to why \$25 per diem for subsistence expenses has been determined upon as the proper amount in the Executive order which created this Board, I have called the Bureau of the Budget with a view toward attempting to determine for you just what was in the President's mind when he determined on this sum for subsistence pay.

I am attaching the Executive order which created this Board as well as the Executive order which created the National Defense Mediation Board and which has a similar provision in paragraph 1 (b). I suspect that the provision in the present Executive order came from the identical provision in the former.

People who receive this \$25 in lieu of subsistence are the presidents of large corporations or the presidents of large international unions. There is no question in my mind that at least the management representatives spend more than \$25 for their expenses daily, as none of them are residents of Washington.

Members of this Board should not be strictly compared with consultants of other agencies who receive \$10 for expenses when working without other compensation, because under the Executive order they are actually commissioners for the Government. The Executive order is clear that they have the power to vote and make decisions on behalf of the Government. Therefore, they should be compared with commissioners of the Government, rather than with consultants of any other agency. Indeed, if they were to be compared with any other employees of the Government, it would seem that they should be compared with arbitrators for the Railway Labor Board. I am informed that these arbitrators receive \$50 per diem by an act of Congress, although I have not had an opportunity personally to check this.

You will find additional comments on this subject in the transcript taken before the House Committee on Appropriations, as well as certain questions on the subject which were asked by the Senate committee.

I trust that this is the information which the committee desires

GEORGE KIRSTEIN,
Executive Secretary.

[Enclosure]

MEMORANDUM FOR SENATE COMMITTEE ON
APPROPRIATIONS

WAR SHIPPING ADMINISTRATION,
Washington, July 14, 1942.

Reference is made to your inquiry as to the provision in our budget permitting the

War Shipping Administration to pay not in excess of \$25 a day in lieu of subsistence, etc., to employees who do not draw a salary. We wish to point out that it has been the practice of the War Shipping Administration to pay varying amounts not in excess of this maximum to cover actual expenses and costs of out-of-town employees who are serving temporarily in important assignments on behalf of this agency. There are very few employees drawing a maximum of \$25, the bulk of the allowance has been substantially less.

In this connection it should be noted that the Civil Service Commission has permitted the payment of a daily sum of \$22.22 to temporary employees in emergency agencies as compensation. Our practice has been not to make any payment as compensation but rather to pay sums substantially equivalent to the civil-service allowance as expenses. We believe that compensation expressed in this manner more clearly reflects the actual situation than the practice under the civil-service regulations. However, in any event, the net result is approximately the same under either arrangement.

Very truly yours,

E. J. ACKERSON,
Legislative Counsel.

The VICE PRESIDENT. The bill is before the Senate and open to further amendment. If there be no further amendments to be offered, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill (H. R. 7319) was read the third time, and passed.

Mr. McKELLAR. Mr. President, I move that the Senate insist on its amendments, request a conference with the House of Representatives thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Vice President appointed Mr. McKELLAR, Mr. GLASS, Mr. HAYDEN, Mr. TYDINGS, Mr. RUSSELL, Mr. NYE, and Mr. BROOKS conferees on the part of the Senate.

Mr. HAYDEN. Mr. President, a number of the agencies mentioned in the bill are unable to pay their employees sums due them on the 15th of the month. To expedite consideration of the bill in conference I ask that the bill be printed with the Senate amendments numbered.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

FLORIDA PIPE LINE AND BARGE CANAL

Mr. BAILEY. Mr. President, I move that the Senate proceed to the consideration of House bill 6999.

The VICE PRESIDENT. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H. R. 6999) to promote the national defense and to promptly facilitate and protect the transport of materials and supplies needful to the Military Establishment by authorizing the construction and operation of a pipe line and a navigable barge channel across Florida, and by deepening and enlarging the Intracoastal Waterway from its present eastern terminus to the vicinity of the Mexican border.

The VICE PRESIDENT. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Commerce with amendments.

Mr. BAILEY. Mr. President, I do not care to speak at length. I understand that other Senators wish to discuss certain features of the bill at considerable length. I wish to make a brief preliminary statement.

It is not my intention to support the bill as it stands. That is because I am opposed to authorizing the construction of the so-called barge canal and intra-coastal waterway from its present eastern terminus to the vicinity of the Mexican border at this time. I believe that such a waterway might be all right in season. It would cost the Government approximately \$80,000,000.

Mr. President, I am opposed either to authorizing or appropriating \$1 for any purpose more than is necessary to carry on the Government and sustain the war effort. I have good reasons for that attitude. They are not only reasons of economy. They are reasons of necessity.

This Government has undertaken the largest, the most grievous, and the most desperate task of its entire existence. We are undertaking to sustain not only our cause but the cause of our Allies and associated nations in the greatest of wars. I think the time has come when this Government must conserve its assets, whatever they may be. We can lose the war by exhaustion of men. We can lose the war by exhaustion of resources or of money. Very probably the American people will see to it that measures are taken which will save us from the exhaustion of men. Perhaps our generals will pursue, as it is their duty to pursue, the rule of economy of manpower on the field of battle. Likewise, we must pursue the rule of economy of material resources here at home.

This canal, costing between \$80,000,000 and \$100,000,000, part of it new canal through Florida, and the remainder of it the deepening of the channel from a point on the Gulf coast near Florida all the way around to the Mexican border—approximately 1,000 or 1,100 miles, I understand—would make no contribution of real value or of instant need to the war effort; and yet we propose to authorize the construction of the canal in the midst of the present situation in which we are proposing to tax our people to the point of exhaustion.

At this moment the tax bill is in the other House. As I understand it, the bill would raise in excess of \$6,000,000,000, on top of about \$5,000,000,000 which was raised by taxes we imposed last year, and that is on top of the normal taxes of about \$5,000,000,000 we had been levying. We are told on every hand that that is not sufficient; and that is not sufficient to sustain the bonds or to maintain the public credit, nor is it sufficient to raise a proper barrier to the threat, the menace, of inflation. Why, then, should we pile another \$80,000,000 or \$100,000,000, as the case may be, upon the \$205,000,000,000 which we have already authorized

for the war effort? I think the argument is apparently good that, as compared with \$205,000,000,000, \$80,000,000 is nothing. In terms of percentage it is very little; but \$80,000,000 is still \$80,000,000. It is not a matter of comparison; it is a matter of fact. Unless we have totally lost our sense of proportion, unless we have altogether lost our perspective, financially speaking, a million dollars is still a considerable sum for a government to spend, and a very good sum for a Senator to undertake to save.

So I consider the proposed legislation relative to the inland waterway as untimely, unnecessary, and an aggravation of extravagance. I believe it would be a fine gesture to the country for us to refuse to authorize it—with the motive of informing our people that we are determined to concentrate on the necessities of the national defense and the winning of the war.

Mr. President, I have no way to convey to my own mind or to the minds of my hearers what is the weight of \$205,000,000,000. It is added to a national debt of nearly \$50,000,000,000; and that is only for perhaps at the most an 18-month or 2-year period. All that money is supposed to be expended within that time. We have predicated the national expenditure for the war for the present fiscal year, which began July 1, at \$56,000,000,000. We all have difficulty in ascertaining what is the national wealth; but I have on my desk a book prepared by a most respected authority, a professor of economy at Notre Dame, who estimated the national wealth at not exceeding \$425,000,000,000. We are in full sight, Mr. President, of a national debt of \$250,000,000,000, which is more than half the national wealth. However, that is not the end of it.

Probably, in the minds of some men, that is all the national debt will be. The argument is that the war will be over in 18 months. With all due respect to the major and the minor prophets in and out of Congress, no one knows when this war will end. One general was quoted as saying that this is a 100-year war, and that we have already fought the first 26 years of it. He went back to the World War for the beginning. God forbid! However, we have no right to argue that it will be a short war.

Mr. TOBEY. Mr. President, will the Senator yield?

Mr. BAILEY. I yield.

Mr. TOBEY. Perhaps the Senator is not aware of the demonstration of the gift of prescience which recently was given by a statesman from Kentucky in his prognostication that the war would end in 1942.

Mr. BAILEY. I avoided making any allusion to it.

However, we cannot argue that this war will be over in 18 months; we cannot argue that it will be over in 3 years; and we cannot argue that the final stand will not be made in the New World—right here. I shall elaborate on that point for a moment. We see what is going on in Russia, and my prayers have been for Russia. The Russians' case is so desperate that they are crying to us in every way they can to open up a sec-

ond front in Europe. We turn to North Africa, and, after all, the Axis army is not far from Alexandria and the Suez. Our prayers are with the British, the Australians, and the American boys who are there. But we have no guaranties.

Yesterday I received a letter from a very respected editor in North Carolina suggesting that we should send more aid to China. We are sending to China all the aid we can send. The roads are not open. The ports are not available. If we ever open those roads or make those ports available, that will mean billions of dollars more and seas of blood.

I think I have suggested enough to say, without running the risk of being charged with pessimism, that the war may last a great deal longer than many of us think; that certainly the man does not live who can tell us when the end will be or what the outcome will be; and, while I am no general and no master of strategy, and would not pretend to say anything on that subject, I think the American policy ought to be based upon one great consideration, and that is that the time may come when we will have to defend in the New World. We can defend, we will defend, and we will triumph; but I think too many of us are thinking that this war may be resolved in Russia or it may be resolved over yonder in Japan. The issue of this war may be resolved in the New World.

All of that is said by way of laying before the Senate the seriousness of spending money unnecessarily. Grant that the objective, whatever it may be, is good, grant that it is humane, the Congress of the United States has no right to part with even \$1 that it could save, consistent with the defense of this country. I can think of a great many good things for which I could introduce in the Senate bills making appropriations of money, but I think the Senate will bear witness that I do not do that. I could paint a picture of myself as a great philanthropist and very benevolent and highly constructive and progressive, at the expense of the taxpayers of the United States, and, probably, at the expense of the men who are fighting. I do not want to paint such a picture of myself at the expense of other people. I do not want to be a progressive if that is the price of being progressive. That, in general, is the situation.

We come to the pending bill, which is predicated, in its title, on the national defense, and based on the necessity for transporting petroleum products to the rationed States on the Atlantic coast, all the way from Maine to Florida. Predicated upon that premise, we propose to spend between \$80,000,000 and \$100,000,000 to build a canal that will not haul one gallon of gasoline within 3 years.

Mr. ANDREWS. Mr. President, will the Senator yield?

Mr. BAILEY. I yield.

Mr. ANDREWS. I may say to the distinguished Senator that I think it is true that we have appropriated already more than \$7,000,000,000 to be spent all over the world, and which we never expect to get back. Would not the expenditure of this little \$44,000,000 to acquire the

Women's Auxiliary Reserve in the Navy, and for other purposes.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

The conference report and statement follow:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6807) to establish a Women's Auxiliary Reserve in the Navy, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows: That the House recede from its disagreement to the amendments of the Senate.

CARL VINSON,

PATRICK H. DREWRY,

JAMES W. MOTT,

Managers on the part of the House.

MILLARD E. TYDINGS,

RICHARD B. RUSSELL,

JAMES J. DAVIS,

HIRAM W. JOHNSON,

Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6807) to establish a Women's Auxiliary Reserve in the Navy, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

The bill as it passed the House establishes a Women's Auxiliary Reserve as a part of the Naval Reserve, and provides that this branch of the Reserve shall be administered in accordance with the provisions contained in the Naval Reserve Act of 1938. Detailed instructions for its administration were to be governed by regulations approved by the Secretary of the Navy.

The Senate amendment strikes out all after the enacting clause and writes into the text of the bill the regulations which the Navy Department contemplated issuing. The Senate amendment provides that members of the Women's Reserve shall be restricted to the performance of shore duty within the continental United States only, and shall not be assigned to duty on board vessels of the Navy or in combat aircraft; that they shall not be used to replace civil-service personnel employed in naval establishments; that the military authority of women commissioned as officers may be exercised over women of the Reserve only, and that there shall not be more than 1 officer in the grade of lieutenant commander nor more than 35 in the grade of lieutenant. The Senate amendment also provides that if any member of the Women's Reserve suffers disability or death from disease or injury received in line of duty, she or her beneficiaries shall be entitled to the benefits prescribed by law for civil employees of the United States who are physically injured or who die as a result thereof, instead of being entitled to retirement and other benefits provided by law for men in the armed forces of the Nation.

The Senate amendment to the title of the bill merely sets forth in more detail the purposes of the bill.

CARL VINSON,

P. H. DREWRY,

JAMES W. MOTT,

Managers on the part of the House.

FIRST SUPPLEMENTAL DEFICIENCY BILL, 1943

Mr. CANNON of Missouri. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 7319) making supplemental appropriations for

the national defense for the fiscal year ending June 30, 1943, and for other purposes, with Senate amendments, disagree to the Senate amendments, and agree to the conference asked.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

Mr. COCHRAN. Mr. Speaker, reserving the right to object, I have followed the proceedings of the Senate rather closely, especially in reference to the Office of Price Administration. As I recall it, the Bureau of the Budget asked for \$161,000,000. The House bill carried only \$75,000,000. Lengthy hearings were held in the Senate following the passage of the bill by the House. Mr. Henderson was before the Senate committee. Finally the Senate committee recommended \$120,000,000. When the bill reached the floor of the Senate an agreement was reached to increase that amount by \$5,000,000, so that the Senate bill carried \$125,000,000 for the Office of Price Administration. Now we are told that the Price Control Act is going to break down if they do not get sufficient money to administer it. It is my candid opinion that too much attention concerning this Budget request was paid to Mr. Henderson rather than to the Office of Price Administration.

I ask the gentleman from Missouri if he feels he can commit himself that if the House conferees did not accept the \$125,000,000 he would be willing to bring the matter back to the House so that we could have a separate vote on this item?

Mr. CANNON of Missouri. Mr. Speaker, my friend the gentleman from Missouri is familiar with conference procedure and is aware that I cannot commit the House conferees. Speaking for myself, I may say that when the estimate for this purpose was first submitted by the Budget Bureau it called for \$161,000,000, and I favored the Budget estimate. From that time until the bill was sent to the Senate, during its consideration in the subcommittee, in the whole committee, and in the House, I voted on every occasion for the largest amount obtainable.

But managers do not go to conference to express their own views. They go under instructions to maintain the position of the House, whether it coincides with their personal opinion or not. And if they cannot conscientiously comply with the instructions of the House, it is their duty to resign.

So far as the gentleman's request for the return to the House of any item in disagreement is concerned, the managers on the part of the House are sent to conference to reach an agreement, and if agreement can be reached and embodied in a conference report, it is their duty to reach agreement and expedite the enactment of the bill. The gentleman, of course, has his remedy and may move to instruct conferees at the time they are appointed.

In response to the suggestion that the attention of the committee was diverted to personalities, a perusal of the hearings—which incidentally were more extensive than in the Bureau of the Budget or elsewhere—will show that they

were confined to the subject before the committee. I want especially to emphasize the fact that so far as I am aware no member of the subcommittee of the House in charge of the bill has at any time made application to the Administrator for patronage.

Let me say again, that while I cannot speak for the subcommittee, I am certain if a situation arises which justifies it, the conferees will be glad to bring the item in which the gentleman is interested back to the House for further instruction. I trust, however, the conferees after brief consideration will be able to reach an agreement which will be satisfactory to both Houses and to the country, and if such agreement can be reached, the conferees, in accordance with custom, will bring back a complete report.

Personally, I would be opposed to bringing back an appropriation which was \$1 short of the amount necessary for the adequate enforcement of the law, and I would oppose bringing back to the House an amount which was \$1 in excess of the amount actually needed for that purpose.

Mr. COCHRAN. Mr. Speaker, in my opinion this matter is of such vast importance that I object to the request.

The SPEAKER. Objection is heard.

ENROLLED JOINT RESOLUTION SIGNED

Mr. KIRWAN, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled a joint resolution of the House of the following title, which was thereupon signed by the Speaker:

H. J. Res. 318. Joint resolution to amend section 1700 (a) (1) of the Internal Revenue Code to extend to the members of the armed forces of the United Nations the exemption from the tax on admissions in cases where admission is free, and to exempt from tax the amount paid for admissions to theaters and other activities operated by the War Department or the Navy Department within posts, camps, reservations, and other areas maintained by the Military or Naval Establishment.

BILLS PRESENTED TO THE PRESIDENT

Mr. KIRWAN, from the Committee on Enrolled Bills, reported that that committee did on this day present to the President, for his approval, bills of the House of the following titles:

H. R. 3173. An act for the relief of Mrs. Charles O. DeFord;

H. R. 4314. An act authorizing the States of Minnesota and Wisconsin, jointly or separately, to acquire bridges now existing or to construct, maintain, and operate a free highway bridge across the Saint Croix River, also known as Lake Saint Croix, at or near Hudson, Wis.;

H. R. 4355. An act for the relief of Bella Cosgrove;

H. R. 4370. An act for the relief of Charles L. Lair;

H. R. 5000. An act conferring jurisdiction upon the United States District Court for the Eastern District of Michigan to hear, determine, and render judgment upon the claim of Fred W. Meile, of Detroit, Mich.;

H. R. 5295. An act for the relief of the estate of Romano Emiliani;

H. R. 5317. An act for the relief of Mrs. Jessie A. Beechwood;

H. R. 5385. An act for the relief of Charles E. Yates and the Motor Facts Sales Co.;

H. R. 5496. An act for the relief of Cecile McLaughlin;

H. R. 5499. An act for the relief of Henry Daley, guardian for James Ray Daley and Norman Franklin Daley;

H. R. 5794. An act for the relief of the estate of Roy Owen, deceased;

H. R. 6077. An act for the relief of Edward P. Reilly; and

H. R. 7242. An act to authorize temporary appointments in the Army of the United States of officers on duty with the Medical Administrative Corps.

ADJOURNMENT

Mr. DOUGHTON. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 56 minutes p. m.) the House adjourned until tomorrow, Friday, July 17, 1942, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

(Tuesday, July 21, 1942)

There will be a meeting of the subcommittee of the Committee on Interstate and Foreign Commerce at 10 a. m. Tuesday, July 21, 1942.

Business to be considered: Hearings on S. 2598, telegraph merger bill, beginning Tuesday, July 21.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XXII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. ELLIOTT of California: Joint Committee on the Disposition of Executive Papers. House Report No. 2347. Report on the disposition of records in sundry Government departments. Ordered to be printed.

Mr. ELLIOTT of California: Joint Committee on the Disposition of Executive

Papers. House Report No. 2348. Report on the disposition of records in sundry Government departments. Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. GEARHART:

H. R. 7396. A bill to provide for vocational rehabilitation and return to civil employment of disabled persons discharged from the military or naval forces of the United States, and for other purposes; to the Committee on World War Veterans' Legislation.

By Mr. SUTPHIN:

H. R. 7397. A bill to promote the national defense and to facilitate and protect the transport of materials and supplies needful to the Military Establishment and essential to domestic requirements through safe and adequate inland waterways, by the immediate authorization and construction of the New York Bay-Delaware River section of the Atlantic Intracoastal Waterway as now connected and made navigable from New England to Florida; to the Committee on Rivers and Harbors.

By Mr. COSTELLO:

H. R. 7398. A bill to provide for the construction of a marine hospital in or near Los Angeles, Calif.; to the Committee on the Merchant Marine and Fisheries.

By Mr. YOUNGDAHL:

H. Res. 523. Resolution authorizing the printing of the manuscript entitled "How To Obtain Birth Certificates," as a public document; to the Committee on Printing.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

3234. By Mr. CRAWFORD: Petition of S. A. Goucher and 66 other residents of Byron, Mich., and vicinity, protesting against the enactment of House bills 7101 and 7108, and

similar legislation; to the Committee on Agriculture.

3235. By Mr. CUNNINGHAM: Petition of 60 members of the Indianola Baptist Church of Indianola, Iowa, urging legislation to provide for the abolishment of liquor traffic as an aid to an all-out war effort; to the Committee on Military Affairs.

3236. By Mr. KRAMER: Resolution of the Married People's Bible Class of the First Baptist Church of Los Angeles, relative to prohibition of intoxicating liquors for the duration of the present war; to the Committee on Military Affairs.

3237. Also, resolution of the Society of Designing Engineers of Los Angeles, relative to the passage of House bill 7144; to the Committee on Immigration and Naturalization.

3238. Also, resolution of the Women's International Union Label League and Trades Union Auxiliary of Los Angeles, Calif., relative to the passage of House bill 6486; to the Committee on the Post Office and Post Roads.

3239. Also, resolution of the California State Board of Agriculture, relative to synthetic-rubber production; to the Committee on Banking and Currency.

3240. Also, resolution of the State Council of Defense of Sacramento, Calif., relative to rationing of gasoline to conserve rubber, etc.; to the Committee on Banking and Currency.

3241. Also, resolution of the California State Council of Defense, relative to amendment to the social-security laws; to the Committee on Ways and Means.

3242. By Mr. ROLPH: Resolution of the Fraternal Order of Eagles of San Francisco, Calif., and the California State Aerie of the Fraternal Order of Eagles, in convention assembled at Sacramento, urging legislation for the purpose of permitting the recipients of old-age assistance to return to fruitful endeavor and productive labor without being penalized in aid they are now receiving; to the Committee on Ways and Means.

3243. By Mr. WHEAT: Petition of members of the Christian Church of Hindsboro, Ill., urging passage of the Sheppard bill (S. 860); to the Committee on Military Affairs.

77TH CONGRESS
2D SESSION

H. R. 7319

IN THE SENATE OF THE UNITED STATES

JULY 16, 1942

Ordered to be printed with the amendments of the Senate numbered

AN ACT

Making supplemental appropriations for the national defense for the fiscal year ending June 30, 1943, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That the following sums are appropriated, out of any money
4 in the Treasury not otherwise appropriated, for the national
5 defense for the fiscal year ending June 30, 1943, and for
6 other purposes, namely:

TITLE I—GENERAL APPROPRIATIONS

(1) LEGISLATIVE

SENATE

For an amount required to increase the salaries of three laborers in the Office of the Secretary from \$1,380 to \$1,440 each, fiscal year 1943, \$180, effective July 1, 1942.

JUDICIARY

DISTRICT COURT, PANAMA CANAL ZONE

Salaries: For an additional amount for salaries, District Court, Panama Canal Zone, \$2,250.

EXECUTIVE OFFICE OF THE PRESIDENT

EMERGENCY FUND FOR THE PRESIDENT

Emergency fund for the President: To enable the President, through appropriate agencies of the Government, to provide for emergencies affecting the national security and defense and for each and every purpose connected therewith, and to make all necessary expenditures incident thereto for any purpose for which the Congress has previously made appropriation or authorization and without regard to the provisions of law regulating the expenditure of Government funds or the employment of persons in the Government service, such as section 3709 of the Revised Statutes and the civil service and classification laws; and any waiver hereunder of the provisions of any law regulating such expenditure or such employment shall not be exercised by

1 any agency unless the allocation to such agency or subse-
2 quent action of the President in connection therewith permits
3 any such waiver to be availed of; \$100,000,000: *Provided*,
4 That in a total amount of not exceeding \$25,000,000
5 and within the purposes provided for in this para-
6 graph, the President may authorize the expenditure of
7 sums from this appropriation for objects of a confidential na-
8 ture and in any such case the certificate of the expending
9 agency as to the amount of the expenditure and that it is
10 deemed inadvisable to specify the nature thereof shall be
11 deemed a sufficient voucher for the sum therein expressed to
12 have been expended: *Provided further*, That the foregoing
13 appropriation and the foregoing limitation upon the amount
14 which may be expended for objects of a confidential nature,
15 are hereby respectively merged with the appropriation and
16 with the limitation for the same purpose under this head in the
17 Third Supplemental National Defense Appropriation Act,
18 1942: *Provided further*, That the President shall transmit
19 to Congress, on or before January 10, 1944, a report of the
20 expenditures from such total appropriation.

21 BOARD OF ECONOMIC WARFARE

22 Salaries and expenses: For all expenses necessary to
23 enable the Board of Economic Warfare to carry out its
24 functions and activities, including salaries of an Executive
25 Director at \$10,000 per annum and four assistants to the

1 Executive Director at \$9,000 per annum; personal services
2 (including aliens) in the District of Columbia and elsewhere;
3 the acceptance and utilization of voluntary and uncompen-
4 sated services; the temporary employment of persons or or-
5 ganizations by contract or otherwise without regard to the
6 civil-service and classification laws or section 3709 of the
7 Revised Statutes; procurement of necessary services, supplies,
8 and equipment without regard to section 3709, Revised Stat-
9 utes, for use (1) outside the continental limits of the United
10 States, including the rental of office space, and (2) within
11 the United States when the aggregate amount involved in
12 any one case does not exceed \$300; traveling expenses, in-
13 cluding (1) expenses of attendance at meetings of organiza-
14 tions concerned with the work of the Board, (2) actual
15 transportation and other necessary expenses, and not to ex-
16 ceed \$10 per diem in lieu of subsistence of persons serving
17 while away from their homes without other compensation
18 from the United States, in an advisory capacity to the Board,
19 (3) payment to the Chairman and the Executive Director
20 of the Board of actual and necessary transportation, sub-
21 sistence, and other expenses incidental to the performance of
22 their duties, and (4) expenses outside the United States
23 without regard to the Standardized Government Travel Reg-
24 ulations and the Subsistence Expense Act of 1926, as
25 amended, or any limitation of law or regulation governing the

1 payment of transportation and subsistence to military or naval
2 personnel, and section 901 of the Act of June 29, 1936 (49
3 Stat. 2015) ; transfer of household goods and effects as pro-
4 vided by the Act of October 10, 1940 (54 Stat. 1105) ;
5 preparation and transportation of the remains of officers and
6 employees who die abroad or in transit, while in the dispatch
7 of their official duties, to their former homes in this country
8 or to a place not more distant for interment, and for the or-
9 dinary expenses of such interment; purchase and exchange of
10 lawbooks and books of reference; the rental of news-report-
11 ing services; the purchase of, or subscription to, commercial
12 and trade reports, newspapers, and periodicals; the purchase
13 or rental of typewriters, adding machines, and other labor-
14 saving devices, and the repair and exchange of same; the
15 purchase, exchange, maintenance, operation, repair, and hire
16 of motor-propelled or horse-drawn passenger-carrying vehi-
17 cles; and printing and binding, \$12,000,000, of which amount
18 such sums as may be authorized by the Director of the
19 Bureau of the Budget may be transferred to other depart-
20 ments or agencies of the Government for the performance by
21 them of any of the functions or activities for which this appro-
22 priation is made: *Provided*, That no other agency of the
23 Government shall perform work or render services for the
24 Board of Economic Warfare, whether or not the performance
25 of such work or services involves the transfer of funds or re-

1 imbursement of appropriations, unless authority therefor by
2 the Bureau of the Budget shall have been obtained in ad-
3 vance: *Provided further*, That not to exceed \$500,000 of
4 this appropriation shall be available to meet emergencies of
5 a confidential character to be expended under the direction of
6 the Executive Director, who shall make a certificate of the
7 amount of such expenditure which he may think it advisable
8 not to specify, and every such certificate shall be deemed a
9 sufficient voucher for the amount therein certified.

10 Payments for articles and materials requisitioned: For
11 the purpose of making payments to the owners thereof for
12 articles and materials requisitioned under authority of the
13 Acts of October 10, 1940 (54 Stat. 1090), and October 16,
14 1941 (Public Law 274), the unexpended balance as of
15 June 30, 1942, of the fund consisting of (1) the allocation
16 of \$200,000 to the Economic Defense Board from the
17 emergency fund for the President by letter of November
18 26, 1941, and (2) the receipts credited to said appropri-
19 ation by the Act of October 10, 1940, and reallocated for
20 the same purpose by said letter of allocation, is hereby
21 continued available to the Board of Economic Warfare for
22 the fiscal year 1943: *Provided*, That receipts of the sales
23 of articles requisitioned by said Board under authority of
24 said Act of October 16, 1941, shall be deposited to the

1 credit of this fund and be immediately available for the
2 purposes thereof.

3 OFFICE OF CENSORSHIP

4 Salaries and expenses: For all expenses necessary to
5 enable the Office of Censorship to perform the functions
6 and duties prescribed by the President, including personal
7 services in the District of Columbia and elsewhere; the em-
8 ployment of aliens as examiners or translators; the employ-
9 ment of a Director and a Deputy Director at not exceed-
10 ing \$10,000 and \$9,000 per annum respectively; the accept-
11 ance and utilization of voluntary and uncompensated services;
12 not to exceed \$20,000 for temporary employment, without
13 regard to civil-service and classification laws; expenses of
14 attendance at meetings of organizations concerned with the
15 work of the Office; traveling expenses, including not to ex-
16 ceed \$10 per diem in lieu of subsistence and other expenses
17 of persons serving as advisers while away from their homes
18 without other compensation from the United States; transfer
19 of household goods and effects as provided by the Act of
20 October 10, 1940; printing and binding; hire, maintenance,
21 and repair of automobiles; purchase of guard uniforms, law-
22 books, books of reference, newspapers, periodicals, rubber
23 gloves, aprons, and other items necessary for protection of
24 clothing from chemicals, \$26,500,000: *Provided*, That sec-

tion 3709 of the Revised Statutes shall not be construed to apply to any purchase made by or service rendered for the Office of Censorship when the aggregate amount involved in such case does not exceed \$100 in the continental United States and \$500 outside the continental limits.

OFFICE FOR EMERGENCY MANAGEMENT

PAR. 1. For all necessary expenses of the constituent agencies of the Office for Emergency Management in paragraphs 2 to 12, inclusive, in performing their respective functions and activities, without regard to section 3709, Revised Statutes (except as otherwise specified herein), including (in addition to the objects specified respectively under each head) personal services in the District of Columbia and elsewhere; contract stenographic reporting services; lawbooks, books of reference, newspapers and periodicals; printing and binding; procurement of supplies and equipment, including typewriters, adding machines and other labor-saving devices and their repair and exchange; purchase and exchange, maintenance, operation, and repair of passenger-carrying automobiles, trucks, station wagons, and motorcycles; transfer of household goods and effects as provided by the Act of October 10, 1940; acceptance and utilization of voluntary and uncompensated services; and traveling expenses, including expenses of attendance at meetings of organizations concerned with the work of the agency

1 from whose appropriation such expenses are paid, and actual
 2 transportation and other necessary expenses, and not to exceed
 3 \$10 (unless otherwise specified) per diem in lieu of sub-
 4 sistence, of persons serving while away from their permanent
 5 homes or regular places of business in an advisory capacity
 6 to or employed by any of such agencies without other com-
 7 pensation from the United States, or at \$1 per annum, as
 8 follows:

9 PAR. 2. Office of the Liaison Officer: For the Office of
 10 the Liaison Officer, \$113,000. The Liaison Officer is hereby
 11 authorized, in connection with the operations of the constitu-
 12 ent agencies of the Office for Emergency Management, to con-
 13 sider, ascertain, adjust, determine, and certify claims against
 14 the United States in accordance with the Act of December
 15 28, 1922 (31 U. S. C. 215), and to designate certifying
 16 officers in accordance with the Act of December 29, 1941
 17 (Public Law 389).

18 PAR. 3. Division of Central Administrative Services:
 19 For the Division of Central Administrative Services,
 20 ~~(2)\$9,000,000~~ \$10,800,000: *Provided*, That there may be
 21 transferred to this appropriation from appropriations avail-
 22 able to the constituent agencies of the Office for Emer-
 23 gency Management and to the Office of Price Admin-
 24 istration such amounts as may be necessary for the pro-

1 curement of supplies, equipment, and services for such
 2 agencies and such Administration, and funds so trans-
 3 ferred shall be consolidated with and shall be expendable
 4 ble in the same manner as this appropriation: (3)*Provided*
 5 *further, That the constituent agencies (except the War*
 6 *Shipping Administration) of the Office for Emergency Man-*
 7 *agement and the Office of Price Administration shall not*
 8 *establish, in the District of Columbia or in the field, fiscal,*
 9 *personnel, procurement, space allocation or procurement,*
 10 *duplicating, distribution, communication, or other general*
 11 *services, wherever the Director of the Bureau of the Budget*
 12 *determines that the Division of Central Administrative*
 13 *Services can render any such service* *Provided further, That*
 14 *the Division of Central Administrative Services shall provide*
 15 *for the constituent agencies of the Office for Emergency*
 16 *Management and the Office of Price Administration, in the*
 17 *District of Columbia and in the field, all fiscal, personnel,*
 18 *procurement, duplicating, distribution, communication, and*
 19 *other general office services, shall procure and allocate all*
 20 *space for such agencies in the field and shall establish uniform*
 21 *standards of use for office furniture and equipment and space,*
 22 *except where the Director of the Bureau of the Budget, be-*
 23 *cause of special circumstances determines that any of such*
 24 *functions may be more economically performed by such*
 25 *agencies or by other existing Government agencies.*

1 PAR. 4. Office of Civilian Defense: For the Office of
2 Civilian Defense, including salary of the Director at not
3 to exceed \$10,000 per annum, \$7,447,075.

4 PAR. 5. Office of the Coordinator of Inter-American
5 Affairs: For the Office of the Coordinator of Inter-American
6 Affairs, (4)~~\$28,638,000~~ \$28,660,500, including \$3,000,000
7 for payment of obligations incurred under the contract
8 authorization of \$3,000,000 under the head, Office for
9 Emergency Management, in the Second Deficiency Appro-
10 priation Act, 1941, and the unobligated portion of said
11 contract authorization is hereby continued in effect until
12 June 30, 1943; employment of aliens; entertainment of
13 officials and others of the other American republics; pay-
14 ment of living allowances to employees with official head-
15 quarters located abroad in accordance with the Act of
16 June 26, 1930 (5 U. S. C. 118a), and regulations pro-
17 mulgated thereunder; grants of money or property to gov-
18 ernmental and public or private nonprofit institutions and
19 facilities in the United States and the other American
20 republics; the free distribution, donation, or loan of pub-
21 lications, phonograph records, radio transcriptions, art works,
22 motion-picture films, educational material, and such ma-
23 terial and equipment as the Coordinator may deem neces-
24 sary and appropriate to carry out his program; such other
25 gratuitous assistance as the Coordinator deems advisable in the

1 fields of the arts and sciences, education and travel, publica-
2 tions, the radio, the press, and the cinema; paying the ex-
3 penses of transporting employees of the Office of the Coor-
4 dinator and their dependents and their effects from their
5 homes to their places of employment in the other American
6 republics, or from their homes in the other American re-
7 publics to their places of employment, and return or from
8 one official station in the other American republics to another
9 for permanent duty when specifically authorized or approved
10 by the Coordinator under regulations approved by the Presi-
11 dent; causing corporations to be created under the laws of
12 the District of Columbia, any State of the United States, or
13 any of the other American republics, to assist in carrying out
14 the Coordinator's program and capitalizing such corporations:
15 *Provided*, That corporations heretofore or hereafter created
16 or caused to be created by the Coordinator primarily for opera-
17 tion outside the continental United States shall determine
18 and prescribe the manner in which their obligations shall be
19 incurred and their expenses allowed and paid without regard
20 to the provisions of law regulating the expenditure, account-
21 ing for and audit of Government funds, and may, in their
22 discretion, employ and fix the compensation of officers and
23 employees outside the continental limits of the United States
24 without regard to the provisions of law applicable to the
25 employment and compensation of officers and employees of

1 the United States: *Provided further*, That the Coordinator
2 shall transmit to the President immediately upon the close
3 of the fiscal year a complete financial report of the operations
4 of such corporations: *Provided further*, That not to exceed
5 \$500,000 of this appropriation shall be available to meet
6 emergencies of a confidential character to be expended under
7 the direction of the Coordinator, who shall make a certificate
8 of the amount of such expenditure which he may think it
9 advisable not to specify and every such certificate shall be
10 deemed a sufficient voucher for the amount therein certified.

11 PAR. 6. Office of Defense Health and Welfare Services:
12 For the Office of Defense Health and Welfare Services,
13 \$2,440,000, including not to exceed \$10,000 for the employ-
14 ment of aliens: *Provided*, That section 3709 of the Revised
15 Statutes shall not be construed to apply to any purchase made
16 by or service rendered for the Office of Defense Health and
17 Welfare Services when the amount involved does not exceed
18 the sum of \$100.

19 PAR. 7. Office of Defense Transportation: For the Office
20 of Defense Transportation, \$7,216,515.

21 PAR. 8. National War Labor Board: For the National
22 War Labor Board, \$1,167,000, including salaries at not to
23 exceed \$10,000 per annum each for the four public members
24 of the Board; actual transportation and other necessary ex-
25 penses, and not to exceed \$25 per diem in lieu of subsistence

1 (whether or not in a travel status) of ~~(5)~~other members, al-
2 ternate members and associate members of the Board while
3 serving as such without other compensation from the United
4 States: *Provided*, That funds available to the National War
5 Labor Board for the fiscal year 1942 shall be construed as
6 having been available for the payment of expenses of the
7 Board incurred during said fiscal year in accordance herewith.

8 PAR. 9. Office of Scientific Research and Development:
9 For the Office of Scientific Research and Development,
10 \$73,000,000, including purchase of reports, documents,
11 plans, and specifications: *Provided*, That there may be paid
12 from this appropriation to the National Academy of Sciences
13 a sum not exceeding \$113,790 for the administrative and
14 overhead expenses incurred by said academy during the fiscal
15 year 1943 in carrying out research projects for Federal
16 agencies and such sum shall be in addition to any reimburse-
17 ment otherwise provided for. Notwithstanding the provi-
18 sions of section 3679 of the Revised Statutes (31 U. S. C.
19 665), the Office of Scientific Research and Development is
20 authorized, in making contracts for the conduct of investiga-
21 tions or experiments, to agree on behalf of the United States
22 to indemnify the contractor from such funds as may be here-
23 after appropriated for the purpose, against loss or damage
24 to persons or property arising from such work: *Provided*
25 *further*, That advances of funds may be made in connection

1 with contracts entered into by the Office of Scientific Research
2 and Development without regard to section 3648, Revised
3 Statutes: *Provided further*, That funds available to any
4 agency of the Government for scientific or technical research,
5 development, testing, construction of test models, experi-
6 mental production, or the provision of facilities therefor, shall
7 be available for transfer (6) *with the approval of the head of*
8 *the agency involved*, in whole or in part, to the Office of
9 Scientific Research and Development, and funds so trans-
10 ferred shall be expendable in the same manner as this
11 appropriation.

12 PAR. 10. War Manpower Commission: For the War
13 Manpower Commission, \$3,114,000, including not to ex-
14 ceed \$10,000 for the employment of aliens: *Provided*,
15 That section 3709 of the Revised Statutes shall not be con-
16 strued to apply to any purchase made by or service rend-
17 ered for the War Manpower Commission when the amount
18 involved does not exceed the sum of \$100.

19 PAR. 11. War Production Board: For the War Pro-
20 duction Board, \$68,546,300, including not to exceed \$50,-
21 000 for the employment of aliens; not to exceed \$50,000
22 for the temporary employment of expert witnesses, by
23 contract or otherwise, without regard to the civil-service
24 or classification laws; and not to exceed \$500,000 for
25 scientific research on materials, material substitutes, and

1 other subjects related to the functions of the Board, with-
2 out regard to section 3648, Revised Statutes: *Provided*,
3 That funds available for expenses of the War Production
4 Board for the fiscal years 1942 and 1943 may be used for
5 the rental, maintenance, and operation of one airplane.

6 PAR. 12. War Relocation Authority: For the War Relo-
7 cation Authority, \$70,000,000, including expenses incident
8 to the extension of the program provided for in Executive
9 order of March 18, 1942, to persons of Japanese ancestry
10 not evacuated from military areas; salary of the Director at
11 not to exceed \$10,000 per annum; the employment of school
12 teachers and not to exceed \$195,000 for the employment of
13 other persons or organizations, by contract or otherwise,
14 without regard to the civil-service and classification laws:
15 employment of aliens; transfer of household goods and ef-
16 fects as provided by the Act of October 10, 1940, including
17 the travel expenses and the transfer of such goods and effects
18 of employees transferred from other Federal agencies to the
19 Authority at its request; purchase, exchange, maintenance,
20 repair, and operation of motor-propelled passenger-carrying
21 and other vehicles and equipment; not to exceed \$75,000
22 for payments to States or political subdivisions thereof, or
23 other local public taxing units, of sums in lieu of taxes
24 against real property acquired by the Authority for the
25 purposes hereof, or payments for the performance of govern-

1 mental services required in connection with the administra-
 2 tion of the program; the disposal, by public or private
 3 sale, of goods or commodities produced or manufactured in
 4 the performance of activities hereunder, the proceeds of
 5 which shall be deposited in a special fund and thereafter
 6 shall remain available until expended for the purposes hereof:
 7 *Provided*, That the provisions of the Act of February 15,
 8 1934 (48 Stat. 351), as amended, relating to disability or
 9 death compensation and benefits, shall apply to persons re-
 10 ceiving from the United States compensation in the form
 11 of subsistence, cash advances, or other allowances in accord-
 12 ance with regulations prescribed by the Director of the
 13 War Relocation Authority for work performed in connec-
 14 tion with such program, including work performed in the
 15 War Relocation Work Corps: *Provided further*, That this
 16 provision shall not apply in any case coming within the pur-
 17 view of the workmen's compensation laws of any State,
 18 Territory, or possession, or in which the claimant has re-
 19 ceived or is entitled to receive similar benefits for injury or
 20 death.

21 PAR. 13. General provisions: Total, Office for Emer-
 22 gency Management, paragraphs 1 to 12, inclusive, ~~(7)\$268,-~~
 23 ~~863,890~~ \$270,704,390, to be expended for, or in the adminis-
 24 tration of the affairs of, the agencies within the Office for

1 Emergency Management, paragraphs 1 to 12, inclusive, here-
2 inafter called the constituent agencies, in accordance with
3 the following provision:

4 (a) There may be transferred from any of the foregoing
5 appropriations for the constituent agencies sums to other
6 agencies of the Government for the performance by such other
7 agencies of any of the functions or activities for which these
8 appropriations are made: *Provided*, That no other agency
9 of the Government shall perform work or render services
10 for any of the constituent agencies, whether or not the per-
11 formance of such work or services involves the transfer of
12 funds or reimbursement of appropriations, unless authority
13 therefor by the Bureau of the Budget shall have been obtained
14 in advance.

15 ~~(8)(b)~~ The head of any of the constituent agencies may
16 delegate to any other official in such agency the authority
17 to make appointments of personnel and to make other
18 administrative determinations necessary for the conduct of
19 the business in such agency.

20 ~~(9)(e)~~ (b) Any employee of any of the constituent agencies
21 is authorized and empowered, when designated for the pur-
22 pose by the head of such agency, to administer to or take
23 from any person an oath, affirmation, or affidavit, when
24 such instrument is required in connection with the perform-
25 ance of the functions or activities of such agency.

1 PAR. 14. War Shipping Administration: To increase the
2 War Shipping Administration fund, \$1,100,000,000, which
3 amount, together with other funds heretofore or hereafter
4 made available to such revolving fund, shall be available for
5 carrying on all the activities and functions of the War Ship-
6 ping Administration, under Executive order of February 7,
7 1942 (7 F. R. 837), and heretofore or hereafter lawfully
8 vested in such Administration by statute or otherwise, in-
9 cluding costs incidental to the acquisition, operation, loading,
10 discharging, and use of vessels transferred for use of any de-
11 partment or agency of the United States, and for all adminis-
12 trative expenses, including the employment and compensation
13 of persons in the District of Columbia and elsewhere, such
14 employment and compensation to be in accordance with laws
15 applicable to the employment and compensation of persons
16 by the United States Maritime Commission except section
17 201 (b) of the Merchant Marine Act, 1936 (49 Stat. 1985) ;
18 expenses of attendance, when specifically authorized by the
19 Administrator, at meetings concerned with the work of the
20 Administration; actual transportation and other necessary
21 expenses and not to exceed \$25 per diem in lieu of subsist-
22 ence of persons serving while away from their permanent
23 homes or regular places of business in an advisory capacity
24 to or employed by the Administration without other com-
25 pensation from the United States or at \$1 per annum;

1 printing and binding; lawbooks, books of reference, peri-
2 odicals and newspapers; contract stenographic reporting
3 services; purchase and exchange, maintenance, repair, and op-
4 eration of passenger-carrying automobiles; transfer of house-
5 hold goods and effects as provided by the Act of October 10,
6 1940; rent, including heat, light, and power, outside the Dis-
7 trict of Columbia; allowances for living quarters, including
8 heat, fuel, and light, as authorized by the Act of June 26,
9 1930; and the employment, on a contract or fee basis, of per-
10 sons, firms, or corporations for the performance of special
11 services, including accounting, legal, actuarial, and statistical
12 services, without regard to section 3709 of the Revised
13 Statutes: *Provided*, That when vessels are transferred or
14 assigned permanently by the War Shipping Admin-
15 istrator to other departments or agencies of the United
16 States Government for operation by them, funds for
17 the operation, loading, discharging, repairs, and al-
18 terations, or other use of such vessels may be trans-
19 ferred from the War Shipping Administration fund to the
20 applicable appropriations of the department or agency con-
21 cerned in such amounts as may be approved by the Director
22 of the Bureau of the Budget.

23 OFFICE OF PRICE ADMINISTRATION

24 Salaries and expenses: For all necessary expenses of the
25 Office of Price Administration in carrying out the provisions

1 of the Emergency Price Control Act of 1942 (Public Law
2 421), and the provisions of the Act of May 31, 1941 (Public
3 Law 89), as amended by the Second War Powers Act, 1942
4 (Public Law 507), and all other powers, duties, and functions
5 which may be lawfully delegated to the Office of Price Ad-
6 ministration, including personal services in the District of
7 Columbia and elsewhere; expenses of in-service training of
8 employees, including salaries and traveling expenses of in-
9 structors; not to exceed \$55,000 for the employment of aliens;
10 not to exceed \$30,000 for the temporary employment of
11 persons or organizations, by contract or otherwise, without
12 regard to section 3709, Revised Statutes, or the civil-service
13 and classification laws; contract stenographic reporting serv-
14 ices; witness fees; purchase of lawbooks, books of reference,
15 newspapers, ~~(10) press clippings~~, and periodicals; printing
16 and binding; procurement of supplies, equipment, and serv-
17 ices, including typewriters, adding machines, and other labor-
18 saving devices and their repair and exchange; maintenance,
19 repair, and operation of passenger-carrying vehicles; transfer
20 of household goods and effects as provided by the Act of
21 October 10, 1940, and traveling expenses, including (1)
22 attendance at meetings of organizations concerned with the
23 work of the Office of Price Administration; (2) actual trans-
24 portation and other necessary expenses and not to exceed \$10
25 per diem in lieu of subsistence of persons serving while away

1 from their homes in an advisory capacity without other com-
 2 pensation from the United States, or at \$1 per annum;
 3 ~~(11)\$75,000,000~~ \$125,000,000, of which amount such sums
 4 as may be authorized by the Director of the Bureau of the
 5 Budget may be transferred to other departments or agencies
 6 of the Government for the performance by them of any of
 7 the functions or activities for which this appropriation is
 8 made: *Provided*, That no other agency of the Government
 9 shall perform work or render services for the Office of Price
 10 Administration, whether or not the performance of such work
 11 or services involves the transfer of funds or reimbursement of
 12 appropriations, unless authority therefor by the Bureau
 13 of the Budget shall have been obtained in advance: *Pro-*
 14 *vided further*, That such appropriation of ~~(12)\$75,000,000~~
 15 \$125,000,000 shall be so administered during the fiscal
 16 year 1943 as to constitute the total amount that will
 17 be furnished to such Administration during such fiscal year
 18 for the purposes set forth in this paragraph and shall
 19 not be augmented by allocations or transfers of funds from
 20 any other appropriation: *Provided further*, That no part of
 21 this appropriation shall be used for the compensation of any
 22 officer, agent, clerk or other employee of the United States
 23 who shall divulge or make known in any manner whatever
 24 to any person the operations, style of work, or apparatus of
 25 any manufacturer or producer visited by him in the dis-

1 charge of his official duties, or the amount or source of in-
2 come, profits, losses, expenditures, or any particular thereof,
3 set forth or disclosed in any questionnaire, report, return,
4 or document, required (13) *or requested* to be filed by order
5 or regulation of the Administrator or to permit any question-
6 naire, report, return, or document or copy thereof or any book
7 containing any abstract or particulars thereof to be seen or
8 examined by any person except as provided by law; nor for
9 any person who shall print or publish in any manner what-
10 ever, except as hereinafter provided, any questionnaire, re-
11 port, return, or document or any part thereof or source of
12 income, profits, losses, expenditures, or methods of doing
13 business, appearing in any questionnaire, report, return, or
14 document: *Provided further, That the foregoing provisions*
15 *shall not be construed to prevent or prohibit the publication*
16 *or disclosure of studies, graphs, charts, or other documents*
17 *of like general character wherein individual statistics or the*
18 *source thereof is not disclosed or identified directly or indi-*
19 *rectly (14) nor to prevent the furnishing in confidence to*
20 *other executive agencies of the Federal Government such*
21 *data and information as may be useful to them in the per-*
22 *formance of their duties (15):* *Provided further, That no*
23 *part of this appropriation shall be available directly or in-*
24 *directly for making any subsidy payments (16):* *Provided*
25 *further, That no part of this appropriation shall be used to*

1 enforce any maximum price or prices on any agricultural
 2 commodity or any commodity processed or manufactured
 3 in whole or substantial part from any agricultural com-
 4 modity unless and until (1) the Secretary of Agriculture
 5 has determined and published for such agricultural com-
 6 modity the prices specified in section 3 (a) of the Emergency
 7 Price Control Act of 1942; (2) in case of a comparable
 8 price for such agricultural commodity, the Secretary of
 9 Agriculture has held public hearings and determined and
 10 published such comparable price in the manner prescribed
 11 by section 3 (b) of said Act; and (3) the Secretary of Agri-
 12 culture has determined after investigation and proclaimed
 13 that the maximum price or prices so established on any such
 14 agricultural commodity will reflect to the producer of such
 15 agricultural commodity a price in conformity with section
 16 3 (c) of said Act.

17 INDEPENDENT EXECUTIVE AGENCIES

18 (17) BOARD OF INVESTIGATION AND RESEARCH—

19 TRANSPORTATION

20 Board of Investigation and Research: For an additional
 21 amount for the Board of Investigation and Research, fiscal
 22 year 1943, including the objects specified under this head in
 23 the Third Supplemental National Defense Appropriation Act,
 24 1942, and including not to exceed \$14,000 for the temporary

1 *employment of persons or organizations, by contract or other-*
2 *wise, without regard to section 3709, Revised Statutes, or*
3 *the civil service and classification law, \$500,000, which*
4 *amount shall be added to and merged with the unexpended*
5 *balance, as of June 30, 1942, of the appropriation under said*
6 *head: Provided, That said section 3709, Revised Statutes,*
7 *shall not apply to any purchase hereunder when the aggre-*
8 *gate amount involved does not exceed the sum of \$50.*

9 CIVIL SERVICE COMMISSION

10 National defense activities: For national defense activi-
11 ties, Civil Service Commission, to be supplemental to the
12 appropriation made for this purpose for the fiscal year
13 1943, and to be available for the same objects, \$4,147,476:
14 *Provided, That the limitation upon the amount which may*
15 *be expended for travel expenses under this head for the fiscal*
16 *year 1943 is hereby increased to \$912,020.*

17 FEDERAL COMMUNICATIONS COMMISSION

18 National defense activities: For national defense activi-
19 ties, Federal Communications Commission, to be supple-
20 mental to the appropriation made for this purpose for the
21 fiscal year 1943, and to be available for the same objects,
22 \$2,149,876: *Provided, That the limitation upon the amount*
23 *which may be expended for travel expenses under this head*
24 *for the fiscal year 1943 is hereby increased to \$157,340 and*

1 the limitation of thirty-six passenger vehicles is hereby
2 increased to forty-nine.

3 FEDERAL WORKS AGENCY

4 Public Works Administration: For an additional amount
5 for administrative expenses of the Public Works Administra-
6 tion, fiscal year 1943, including the objects specified under
7 this head in the Independent Offices Appropriation Act, 1943,
8 \$93,160, of the funds appropriated by the Public Works
9 Administration Appropriation Act of 1938.

10 Public Roads Administration: For flight strips, to be
11 additional to the appropriation under this head in the Third
12 Supplemental National Defense Appropriation Act, 1942,
13 \$5,000,000.

14 SMALLER WAR PLANTS CORPORATION

15 Smaller War Plants Corporation: Not to exceed \$7,-
16 500,000 of the funds of the Smaller War Plants Corporation
17 acquired in accordance with the Act of June 11, 1942 (Pub-
18 lic Law 603), shall be available during the fiscal year 1943
19 to the Corporation for the payment of the salaries of the
20 directors thereof and for transfer to the War Production
21 Board (hereinafter called the Board) and through the Board
22 to other agencies of the Government, as advances or reim-
23 bursement, for or on account of expenditures of the Board or
24 such other agencies for the Corporation in performing the
25 functions prescribed for the Corporation by said Act: *Pro-*

1 *vided*, That, as determined by the Board, or such officer as
 2 may be designated by the Board for the purpose, expendi-
 3 tures (including expenditures for services performed on a
 4 force account or contract or fee basis) necessary in acquiring,
 5 operating, maintaining, improving, or disposing of real or
 6 personal property belonging to the Corporation or in which
 7 it has an interest, shall be incurred by the Corporation in
 8 accordance with the provisions of said Act, and such expendi-
 9 tures shall not be included within the said limitation of
 10 \$7,500,000: *Provided further*, That funds transferred to the
 11 Board or to other agencies of the Government as aforesaid
 12 shall be merged with funds appropriated to the Board or
 13 other agency, as the case may be, and shall acquire the avail-
 14 ability for expenditure of the funds to which transferred:
 15 *Provided further*, That no part of said \$7,500,000 shall be
 16 obligated or expended unless and until an appropriate ap-
 17 propriation account shall have been established therefor pur-
 18 suant to an appropriation warrant or a covering warrant, and
 19 all such expenses shall be accounted for and audited in ac-
 20 cordance with the Budget and Accounting Act, as amended.

21 DEPARTMENT OF AGRICULTURE

22 OFFICE OF THE SECRETARY

23 Office for Agricultural War Relations: For all expenses
 24 necessary to enable the Secretary of Agriculture to discharge
 25 the functions of the Office for Agricultural War Relations,

1 including personal services in the District of Columbia and
 2 elsewhere; the employment of experts without regard to civil-
 3 service and classification laws; the purchase of books of refer-
 4 ence, periodicals, and newspapers; printing and binding; and
 5 the maintenance, repair, and operation of one motor-propelled
 6 passenger-carrying vehicle for official purposes in the District
 7 of Columbia, \$475,000.

8 (18) FOREST SERVICE

9 *Forest products: Not to exceed \$30,000 of the appro-*
 10 *priation for experiments, investigations, and tests of forest*
 11 *products at the Forest Products Laboratory, or elsewhere,*
 12 *fiscal year 1943, shall be available for the acquisition of*
 13 *additional land adjacent to the present site of said labora-*
 14 *tory at Madison, Wisconsin.*

15 (19) BUREAU OF HOME ECONOMICS

16 *Salaries and expenses: For an additional amount for*
 17 *salaries and expenses, Bureau of Home Economics, fiscal*
 18 *year 1943, including the objects specified under this head*
 19 *in the Department of Agriculture Appropriation Act, 1943,*
 20 *\$20,000.*

21 DEPARTMENT OF COMMERCE

22 OFFICE OF ADMINISTRATOR OF CIVIL AERONAUTICS

23 *Establishment of air-navigation facilities: For an*
 24 *additional amount for establishment of air-navigation facil-*
 25 *ities, to be supplemental to the appropriation made for this*

1 purpose for the fiscal year 1943 and to be available for the
2 same objects, \$1,218,375.

3 Maintenance and operation of air-navigation facilities:

4 For an additional amount for maintenance and operation of
5 air-navigation facilities, to be supplemental to the appropria-
6 tion made for this purpose for the fiscal year 1943 and to
7 be available for the same objects, \$3,647,900.

8 Technical development: For an additional amount for
9 technical development, to be supplemental to the appropria-
10 tion made for this purpose for the fiscal year 1943 and to
11 be available for the same objects, \$50,400: *Provided*, That
12 not to exceed \$320 shall be available for the purchase,
13 cleaning, and repair of uniforms for guards.

14 Washington National Airport: For an additional amount
15 for maintenance and operation, Washington National Air-
16 port, to be supplemental to the appropriation made for this
17 purpose for the fiscal year 1943 and to be available for the
18 same objects, \$28,500: *Provided*, That the limitation on the
19 amount which may be expended for the purchase, cleaning,
20 and repair of uniforms for the guards is hereby increased
21 from \$750 to \$1,570.

22 The appropriation of \$2,700,000 for construction of
23 hangars, and so forth, at the Washington National Airport,
24 contained in the First Supplemental Civil Functions Appro-

1 priation Act, 1941, approved October 9, 1940 (Public Law
2 812), is continued available until June 30, 1943.

3 Civilian pilot training: For an additional amount for
4 civilian pilot training, fiscal year 1943, including the objects
5 specified under this head in the Department of Commerce
6 Appropriation Act, 1943, \$36,677,450, and the limitation
7 on the amount which may be transferred to the appropriation
8 "Enforcement of safety regulations, Office of Administrator of
9 Civil Aeronautics", is hereby increased from \$402,000 to
10 \$441,000.

11 **(20)***The appropriations "Maintenance and operation of air*
12 *navigation facilities", Office of Administrator of Civil Aero-*
13 *navitics, and "Salaries and expenses", Weather Bureau,*
14 *contained in the Department of Commerce Appropriation*
15 *Act, 1943, shall be available, under regulations to be*
16 *prescribed by the Secretary of Commerce, for furnishing*
17 *to employees of the Civil Aeronautics Administration and*
18 *the Weather Bureau in Alaska free emergency medical*
19 *services by contract or otherwise and medical supplies,*
20 *and for the purchase, transportation, and storage of food*
21 *and other subsistence supplies for resale to such employees,*
22 *the proceeds from such resales to be credited to the appro-*
23 *priation from which the expenditure for such supplies was*
24 *made; and appropriations of the Civil Aeronautics Ad-*
25 *ministration and the Weather Bureau contained in said*

1 *Act, available for travel, shall be available for the travel*
2 *expenses of appointees of said agencies from the point of*
3 *engagement in the United States to their posts of duty in*
4 *Alaska.*

5 DEPARTMENT OF THE INTERIOR

6 OFFICE OF PETROLEUM COORDINATOR FOR WAR

7 For all necessary expenses of the Office of Petroleum
8 Coordinator for War in performing its functions as pre-
9 scribed by the President (Fed. Reg., June 7, 1941), in-
10 cluding personal services in the District of Columbia; not
11 to exceed \$500,000 for personal services without regard
12 to the civil service and classification laws; printing and
13 binding; traveling expenses, including attendance at meet-
14 ings of organizations concerned with the purposes of this
15 appropriation, and actual transportation and other neces-
16 sary expenses and not to exceed \$10 per diem in lieu of
17 subsistence of persons serving in an advisory capacity to the
18 Coordinator while away from their homes without other com-
19 pensation from the United States, or at \$1 per annum;
20 contract stenographic reporting services; books of refer-
21 ence, newspapers, and periodicals; office supplies; furniture
22 and equipment, including exchange and repair thereof;
23 purchase, exchange, maintenance, repair, and operation of
24 passenger-carrying automobiles; other miscellaneous serv-
25 ices; and transfer of household goods and effects as pro-

1 vided by the Act of October 10, 1940, \$3,365,000: *Pro-*
2 *vided*, That section 3709, Revised Statutes, shall not
3 apply to any purchase or service rendered under this ap-
4 propriation when the aggregate amount involved does not
5 exceed \$300.

6 OFFICE OF SOLID FUELS COORDINATION

7 For all expenses necessary to enable the Secretary of the
8 Interior through such agencies within the Department of the
9 Interior as he may designate to perform the functions with
10 respect to Solid Fuels Coordination as prescribed by the
11 President (Fed. Reg., March 10, 1942), including the
12 employment without regard to civil-service and classification
13 laws of an assistant at not to exceed \$10,000 per annum and
14 not to exceed eight technical employees; other personal
15 services in the District of Columbia; printing and binding;
16 traveling expenses, including attendance at meetings of organ-
17 izations concerned with the purposes of this appropriation,
18 and actual transportation and other necessary expenses and
19 not to exceed \$10 per diem in lieu of subsistence of persons
20 serving, while away from their homes, in an advisory capacity
21 without other compensation from the United States, or at \$1
22 per annum; contract stenographic reporting services; books
23 of reference, periodicals and newspapers; office supplies; fur-
24 niture and equipment, including exchange and repair thereof;
25 purchase, exchange, maintenance, repair, and operation of

1 passenger-carrying automobiles; other miscellaneous services;
 2 and the acceptance and utilization of voluntary and uncom-
 3 pensated services; \$920,000: *Provided*, That section 3709,
 4 Revised Statutes, shall not apply to any purchase or service
 5 rendered under this appropriation when the aggregate amount
 6 involved does not exceed \$300.

7 **(21)** PETROLEUM CONSERVATION DIVISION

8 *For an additional amount for the Petroleum Conserva-*
 9 *tion Division, fiscal year 1943, to be supplemental to the ap-*
 10 *propriation for this purpose for said fiscal year, and to be*
 11 *available, in addition to the objects and purposes specified for*
 12 *said appropriation, for all expenses necessary to administer*
 13 *the Act of February 22, 1935 (49 Stat. 30), as amended,*
 14 *including contract stenographic reporting services, stationery*
 15 *and office supplies, and the purchase (not to exceed \$5,100),*
 16 *exchange, hire, maintenance, operation, and repair of pas-*
 17 *senger-carrying automobiles, \$232,000: Provided, That the*
 18 *limitation on the amount which may be expended for printing*
 19 *and binding is hereby increased from \$600 to \$3,600, and for*
 20 *books, newspapers, and periodicals, from \$600 to \$700.*

21 **(22)** BUREAU OF INDIAN AFFAIRS

22 **(23)** *Payment to Middle Rio Grande Conserrancy District,*
 23 *New Mexico: For payment to the Middle Rio Grande Con-*
 24 *servancy District, New Mexico, in accordance with the pro-*
 25 *visions of the Act of February 10, 1942 (Public Law 447,*

1 *Seventy-seventh Congress), fiscal year 1943, \$22,415.43, to*
 2 *be reimbursed to the United States in accordance with existing*
 3 *law.*

4 **(24)***Compensation and expenses of an attorney or attorneys,*
 5 *Shoshone Tribe of Indians, Wyoming (tribal funds): For*
 6 *compensation and expenses of an attorney or attorneys under*
 7 *a contract approved by the Assistant Secretary of the Inte-*
 8 *rior on February 13, 1942, \$18,000, or so much thereof as*
 9 *may be necessary, payable from funds on deposit in the*
 10 *Treasury to the credit of such tribe of Indians; and the*
 11 *amount herein appropriated shall be available for com-*
 12 *pensation earned and expenses incurred during the period*
 13 *covered by said contract.*

14 BUREAU OF MINES

15 Enforcement of Federal Explosives Act: For all neces-
 16 sary expenses of the Bureau of Mines in performing the duties
 17 imposed upon it by the Federal Explosives Act, including
 18 not to exceed \$110,000 for personal services in the District
 19 of Columbia; books of reference, periodicals, and newspapers;
 20 not to exceed \$11,250 for printing and binding; contract
 21 stenographic reporting services; supplies and equipment;
 22 traveling expenses, including attendance at meetings of or-
 23 ganizations concerned with the purposes of this appropriation;
 24 maintenance, repair, and operation of passenger-carrying
 25 automobiles; purchase of special wearing apparel or equip-

1 ment for the protection of employees while engaged in their
2 work; purchase in the District of Columbia and elsewhere
3 of other items otherwise properly chargeable to the appro-
4 priation "Contingent expenses, Department of the Interior";
5 \$540,000: *Provided*, That section 3709, Revised Statutes,
6 shall not apply to any purchase or service rendered under this
7 appropriation when the aggregate amount involved does not
8 exceed \$300: *Provided further*, That the Secretary of the
9 Interior, through the Director of the Bureau of Mines, is
10 hereby authorized to carry out projects hereunder in coopera-
11 tion with other departments or agencies of the Federal Gov-
12 ernment, the District of Columbia, States, Territories, insular
13 possessions, with other organizations or individuals, and with
14 foreign countries and the political subdivisions thereof.

15 **(25)***Reduction of zinc concentrates with methane gas (na-*
16 *tional defense): For all necessary expenses, without regard*
17 *to section 3709 of the Revised Statutes, for pilot tests on the*
18 *reduction of zinc concentrates to metal with methane gas, in-*
19 *cluding laboratory research, maintenance and operation of*
20 *pilot plant; procurement of necessary material and ores;*
21 *purchase or lease of land or buildings; construction and equip-*
22 *ment of buildings to house pilot plant, including engagement*
23 *by contract or otherwise, at such rates of compensation as the*
24 *Secretary of the Interior may determine, of engineers, archi-*
25 *tects, or firms or corporations thereof necessary therefor;*

1 supplies and equipment; traveling expenses; not to exceed
 2 \$10,000 for personal services in the District of Columbia;
 3 not to exceed \$500 for printing and binding; purchase (not
 4 to exceed \$1,850) including exchange, operation, maintenance,
 5 nance, and repair of passenger-carrying automobiles; special
 6 wearing apparel and equipment for the protection of employees
 7 while employed; and the purchase in the District of
 8 Columbia and elsewhere of other items otherwise properly
 9 chargeable to the appropriation, "Contingent expenses, Department
 10 of the Interior"; fiscal year 1943, \$350,000, to
 11 remain available until expended: Provided, That the Secretary
 12 of the Interior is authorized to accept lands, buildings,
 13 equipment, and other contributions from public or private
 14 sources for the purposes hereof, and to carry out projects in
 15 cooperation with other agencies, Federal, State, or private.

16 (26) NATIONAL PARK SERVICE

17 (27) Recreational resources of Denison Dam and Reservoir
 18 project, Texas and Oklahoma: For the completion of a survey,
 19 investigation, and plan for the utilization of the recreational
 20 resources of the Denison Dam Reservoir in accordance with
 21 the Act approved June 23, 1936 (49 Stat. 1894), fiscal
 22 year 1943, \$10,000.

23 (28) Salaries and expenses, National Capital parks: For an
 24 additional amount, fiscal year 1943, including the objects
 25 specified under this head in the Interior Department Appro-

1 *priation Act, 1943 (Public Law 645, Seventy-seventh Con-*
2 *gress), \$15,000.*

3 DEPARTMENT OF JUSTICE

4 FEDERAL BUREAU OF INVESTIGATION

5 Salaries and expenses, detection and prosecution of crimes
6 (emergency) : For an additional amount for salaries and ex-
7 penses, during the national emergency, in the detection and
8 prosecution of crimes against the United States, to be supple-
9 mental to the appropriation made for this purpose for the
10 fiscal year 1943 and to be available for the same objects,
11 \$9,200,000, of which amount there may be expended not to
12 exceed \$375,000 for the purchase and exchange of motor-
13 propelled passenger-carrying vehicles; not to exceed \$50,000
14 to meet unforeseen emergencies of a confidential character,
15 to be expended under the direction of the Attorney General,
16 who shall make a certificate of the amount of such expendi-
17 ture as he may think it advisable not to specify, and every
18 such certificate shall be deemed a sufficient voucher for the
19 sum therein expressed to have been expended; and not to
20 exceed \$2,810,000 for personal services in the District of
21 Columbia.

22 (29) MISCELLANEOUS APPROPRIATIONS

23 *Salaries and expenses, Special War Effort Unit: For an*
24 *additional amount for salaries and expenses, Special War*
25 *Effort Unit, Department of Justice, fiscal year 1943, to be*

1 *supplemental to the appropriation made for this purpose for*
 2 *said fiscal year and to be available for the same objects,*
 3 *\$125,000.*

4 POST OFFICE DEPARTMENT

5 OUT OF THE POSTAL REVENUES

6 OFFICE OF THE CHIEF INSPECTOR

7 The paragraph under the head "Clerks, Division Head-
 8 quarters", appearing in the Post Office Department Appro-
 9 priation Act, 1943, is amended to read as follows:

10 "Clerks, division headquarters: For compensation of
 11 three hundred and thirty-two clerks at division headquarters
 12 and other posts of duty of post-office inspectors, \$780,370."

13 Salaries: For an additional amount for salaries, Bureau
 14 of Accounts, \$8,640.

15 DEPARTMENT OF STATE

16 (30) OFFICE OF THE SECRETARY OF STATE

17 *Salaries: For an additional amount for salaries, fiscal*
 18 *year 1943, including the objects specified under this head in*
 19 *the Department of State Appropriation Act, 1943, \$320,000,*
 20 *of which \$40,000 is hereby made available, without regard*
 21 *to civil-service and classification laws, for salaries of members*
 22 *and other employees of the Visa Board of Appeals: Provided,*
 23 *That salaries may be paid to the members of the Board at a*
 24 *rate not exceeding \$10,000 per annum.*

1 (31)CONTINGENT EXPENSES (DEPARTMENTAL)

2 *Contingent expenses: For an additional amount for con-*
 3 *tingent expenses, Department of State, fiscal year 1943, in-*
 4 *cluding the objects under this head in the Department of*
 5 *State Appropriation Act, 1943, \$23,000.*

6 FOREIGN INTERCOURSE

7 (32)Foreign Service, auxiliary (emergency): For an addi-
 8 *tional amount for Foreign Service, auxiliary (emergency),*
 9 *Department of State, fiscal year 1943, including the objects*
 10 *specified under this head in the Department of State Appro-*
 11 *priation Act, 1943, \$1,300,000.*

12 Contingent expenses, Foreign Service: For an additional
 13 amount for contingent expenses, Foreign Service, including
 14 the objects specified under this head in the Department of
 15 State Appropriation Act, 1943; and including also the ex-
 16 penses of the dispatch agency at Miami, Florida; the purchase
 17 of not to exceed twenty passenger-carrying automobiles,
 18 thirteen of which shall not exceed a cost of \$2,000 each; and
 19 the purchase, rental, repair, and operation of microfilm
 20 equipment; \$48,000.

21 CONTRIBUTIONS, QUOTAS, AND SO FORTH

22 For an additional amount for United States contri-
 23 butions to international commissions, congresses, and bureaus,
 24 to enable the United States to become an adhering member

1 of the Inter-American Statistical Institute and to pay its
2 quota contribution as authorized in Public Law 417, ap-
3 proved January 27, 1942, \$29,300.

4 COOPERATION WITH THE AMERICAN REPUBLICS

5 Cooperation with the American republics: Not to exceed
6 \$100,000 of the appropriation "Cooperation with the Amer-
7 ican republics", contained in the Department of State Ap-
8 propriation Act for 1943, shall be available until June 30,
9 1944.

10 TREASURY DEPARTMENT

11 OFFICE OF THE SECRETARY

12 Smaller War Plants Corporation, capital stock: To enable
13 the Secretary of the Treasury to make payments for capital
14 stock of the Smaller War Plants Corporation in accordance
15 with the provisions of section 4 (b) of the Act of June 11,
16 1942 (Public Law 603), \$150,000,000, to remain available
17 until July 1, 1945.

18 Foreign-owned property control: For all expenses neces-
19 sary in carrying out the functions of the Secretary of the
20 Treasury under sections 3 and 5 (b) of the Act of October 6,
21 1917, as amended (50 U. S. C., App. 3), section 301 of the
22 First War Powers Act, 1941, and any proclamations, orders,
23 regulations, or instructions issued thereunder, including
24 personal services (without regard to classification laws),
25 printing, and reimbursement of any other appropriation

1 or other funds of the United States or any agency, instru-
2 mentality, Territory, or possession thereof, including the
3 Philippine Islands, and reimbursement of any Federal
4 Reserve bank for printing and other expenditures,
5 \$5,000,000: *Provided, That \$74,000 of this appropriation*
6 *shall be transferred to the emergency fund for the President*
7 *created by the Independent Offices Appropriation Act, 1942,*
8 *as amended by the Independent Offices Appropriation Act,*
9 *1943, in reimbursement of said appropriation on account*
10 *of the advance therefrom of a like sum for the purposes*
11 *hereof.*

12 Salaries: For an additional amount for salaries, Office
13 of the Secretary of the Treasury, fiscal year 1943, including
14 the objects specified under this head in the Treasury Depart-
15 ment Appropriation Act, 1943, \$134,280.

16 ~~(34)~~ *Reimbursement to District of Columbia, benefit payments*
17 *to White House Police and Secret Service forces: To enable*
18 *the Secretary of the Treasury to reimburse the District of*
19 *Columbia on a monthly basis for benefit payments made*
20 *from the revenues of the District of Columbia to members*
21 *of the White House Police force and such members of the*
22 *United States Secret Service Division as are entitled thereto*
23 *under the Act of October 14, 1940 (54 Stat. 1118), to the*
24 *extent that such benefit payments are in excess of the salary*
25 *deductions of such members credited to said revenues of the*

1 *District of Columbia during the fiscal year 1943, pursuant*
2 *to section 12 of the Act of September 1, 1916 (39 Stat. 718),*
3 *as amended, \$27,000.*

4 DIVISION OF PERSONNEL

5 Salaries: For an additional amount for salaries, Division
6 of Personnel, \$41,460.

7 OFFICE OF THE CHIEF CLERK

8 Salaries: For an additional amount for salaries, office
9 of the Chief Clerk, \$54,920.

10 CUSTODY OF TREASURY BUILDINGS

11 Salaries, operating force: For an additional amount for
12 salaries of operating force, \$81,360.

13 BUREAU OF ACCOUNTS

14 Salaries and expenses: For an additional amount for
15 salaries and expenses, Bureau of Accounts, fiscal year 1943,
16 including the objects specified under this head in the Treasury
17 Department Appropriation Act, 1943, \$70,000.

18 BUREAU OF THE PUBLIC DEBT

19 Expenses of loans: The indefinite appropriation "Ex-
20 penses of loans, Act of September 24, 1917, as amended and
21 extended" (31 U. S. C. 760, 761), shall not be used during
22 the fiscal year 1943 to supplement the appropriations other-
23 wise provided for the current work of the Bureau of the
24 Public Debt, and the amount obligated under such indefinite
25 appropriation during such fiscal year shall not exceed \$45,-

1 000,000 to be expended as the Secretary of the Treasury may
 2 direct: *Provided*, That the proviso in the Act of June 16,
 3 1921 (31 U. S. C. 761), limiting the availability of this
 4 appropriation for expenses of operations on account of any
 5 public debt issue to the close of the fiscal year next following
 6 the fiscal year in which such issue was made, shall not apply
 7 to savings bond transactions handled by the Federal Reserve
 8 banks for account of the Secretary of the Treasury.

9 BUREAU OF CUSTOMS

10 Salaries and expenses: For an additional amount for
 11 collecting the revenue from customs, fiscal year 1943, includ-
 12 ing the objects specified under this head in the Treasury
 13 Department Appropriation Act, 1943, \$1,116,000.

14 BUREAU OF INTERNAL REVENUE

15 Salaries and expenses, collecting the internal revenue:
 16 For an additional amount for salaries and expenses, Bureau
 17 of Internal Revenue, fiscal year 1943, including the objects
 18 specified under this head in the Treasury Department Appro-
 19 priation Act, 1943, ~~(35)\$127,740~~ \$652,740; and the limita-
 20 tion contained in such Act on the amount which may be
 21 expended for personal services in the District of Columbia is
 22 hereby increased from \$10,834,002 to \$10,961,742.

23 SECRET SERVICE DIVISION

24 Salaries and expenses: For an additional amount for
 25 suppressing counterfeiting and other crimes, fiscal year 1943,

1 including the objects specified under this head in the Treas-
2 ury Department Appropriation Act, 1943, \$350,500, and
3 the limitation under said head on the number of motor-
4 propelled, passenger-carrying vehicles which may be pur-
5 chased is hereby increased from thirty-five to fifty-five.

6 WAR DEPARTMENT

7 MILITARY ACTIVITIES

8 OFFICE OF SECRETARY OF WAR

9 For payment to Booz, Fry, Allen and Hamilton, 135
10 South La Salle Street, Chicago, Illinois, for services rendered
11 the War Department in making a survey of the executive
12 offices of the War Department, \$3,298.47, which payment
13 shall be in addition to the amount paid under Contract
14 Numbered WSW 438, dated October 18, 1941, and author-
15 ized under the heading "Salaries, War Department" in the
16 Fifth Supplemental National Defense Appropriation Act,
17 1941.

18 TITLE II—GENERAL PROVISIONS

19 SEC. 201. No part of any appropriation contained in this
20 Act shall be used to pay the salary or wages of any person
21 who advocates, or who is a member of an organization that
22 advocates, the overthrow of the Government of the United
23 States by force or violence: *Provided*, That for the purposes
24 hereof an affidavit shall be considered prima facie evidence
25 that the person making the affidavit does not advocate, and

1 is not a member of an organization that advocates, the over-
 2 throw of the Government of the United States by force or
 3 violence: *Provided further*, That any person who advocates,
 4 or who is a member of an organization that advocates, the
 5 overthrow of the Government of the United States by force
 6 or violence and accepts employment the salary or wages for
 7 which are paid from any appropriation in this Act shall be
 8 guilty of a felony and, upon conviction, shall be fined not
 9 more than \$1,000 or imprisoned for not more than one year,
 10 or both: *Provided further*, That the above penalty clause
 11 shall be in addition to, and not in substitution for, any other
 12 provisions of existing law.

13 SEC. 202. No part of any appropriation contained in
 14 this Act or authorized hereby to be expended (except as
 15 otherwise provided for herein) shall be used to pay the
 16 compensation of any officer or employee of the Govern-
 17 ment of the United States, whose post of duty is in con-
 18 tinental United States unless such person is a citizen of
 19 the United States, or a person in the service of the
 20 United States on the date of the approval of this Act who
 21 being eligible for citizenship had theretofore filed a decla-
 22 ration of intention to become a citizen or who owes
 23 allegiance to the United States. This section shall not
 24 apply to citizens of the Commonwealth of the Philippines.

25 (36) SEC. 203. Wherever appropriations in this Act for any

1 Federal agency are available for printing and binding, travel-
2 ing expenses, and the purchase of motor propelled passenger-
3 carrying vehicles, the amounts expended for such purposes,
4 respectively, shall not exceed the sums set forth therefor in
5 the justifications of the Budget estimates of appropriations
6 for such agencies submitted to the Committee on Appropri-
7 ations, House of Representatives, in connection with this
8 Act; and wherever transfers from any such appropriation
9 are made to another Federal agency, other than an agency
10 acting solely in a procurement capacity, the amounts of such
11 transfers expended, respectively, for the foregoing purposes
12 shall not exceed the sums which the Director of the Bureau
13 of the Budget shall approve therefor in connection with each
14 such transfer.

15 *SEC. 203. Wherever appropriations in this Act for any*
16 *Federal agency are available for printing and binding,*
17 *traveling expenses, and the purchase of motor-propelled pas-*
18 *senger-carrying vehicles, the amounts expended for such pur-*
19 *poses, respectively, shall not exceed the sums set forth there-*
20 *for in the justifications of the Budget estimates of appropri-*
21 *ations for such agencies submitted to the Committee on Ap-*
22 *propriations, House of Representatives, in connection with this*
23 *Act, except where amounts for such purposes are included*
24 *for special projects or for transfer to other agencies; and*
25 *wherever transfers from any such appropriation are made*

1 to another Federal agency, other than an agency acting solely
 2 in a procurement capacity, the amounts of such transfers
 3 expended, respectively, for the foregoing purposes shall not
 4 exceed the sums which the Director of the Bureau of the
 5 Budget shall approve therefor in connection with each such
 6 transfer.

7 ~~(37)~~SEC. 204. No part of the funds appropriated in this
 8 Act shall be expended to pay the salary of any person here-
 9 after recruited from any other Government department or
 10 agency at a rate of compensation greater than that which such
 11 person was receiving from the department or agency from
 12 which recruited: Provided, That this section shall not operate
 13 to prevent increases in compensation as provided by the Act
 14 of August 1, 1941 (Public Law 200).

15 SEC. ~~(38)~~204 205. The appropriations and authority
 16 with respect to appropriations contained herein for the fiscal
 17 year 1943 ~~(39)~~and the appropriations and authority with
 18 respect to appropriations contained in the Interior Department
 19 Appropriation Act, 1943, and the Act making appropriations
 20 for the Department of State, the Department of Justice, the
 21 Department of Commerce, and the Federal judiciary, for the
 22 fiscal year ending June 30, 1943, and for other purposes,
 23 shall be available from and including July 1, 1942, for the
 24 purposes respectively provided in such appropriations and
 25 authority. All obligations incurred during the period be-

77TH CONGRESS
2^D Session

H. R. 7319

AN ACT

Making supplemental appropriations for the national defense for the fiscal year ending June 30, 1943, and for other purposes.

IN THE SENATE OF THE UNITED STATES

JULY 16, 1942

Ordered to be printed with the amendments of the
Senate numbered

House of Representatives

FRIDAY, JULY 17, 1942

The House met at 12 o'clock noon and was called to order by the Speaker.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Our most merciful Father, we thank Thee for the power of prayer; an old, old way to the throne of grace, yet enchantingly new. Dear Lord, it is as new as the newest aspiration, stirring our wills to see Thy purpose on earth as it is in heaven. We bless Thee that prayer is not only new and old, but it is everlastingly enfolding and enlarging the spirit of man into the likeness of the Most High.

Oh, come into the human foreground, out of the half-lights and shades which are too deep for our understanding. Be pleased to throw a searching light on the world's tragic affliction that we may give to it a healing interpretation. Forbid that our country should give hospitality to those tramps of thought which blind and have no place on the highways of freedom. Give our citizens a new and second birth which shall league all to a higher creative power in that great conception of free government. Oh, may there be cleansed from the veins of our land destructive indifference, a biased self-interest, and a most shameful materialism which mock the false claims of patriotic devotion. Almighty God, may every help and support be given our President and his counselors in these hours of most needful sacrifice and courage. In our dear Redeemer's name. Amen.

THE JOURNAL

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Frazier, its legislative clerk, announced that the Senate had passed without amendment a bill of the House of the following title:

H. R. 5392. An act to convey certain property to the Southwest Texas State Teachers College.

FIRST SUPPLEMENTAL DEFICIENCY BILL, 1943

Mr. CANNON of Missouri. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 7319) making supplemental appropriations for the national defense for the fiscal year ending June 30, 1943, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Missouri [Mr. CANNON]?

Mr. COCHRAN. Mr. Speaker, reserving the right to object, last evening I objected to this bill going to conference. I had asked the chairman of the Appropriations Committee if it were possible for us to get a separate vote on the money appropriated for the Office of Price Administration in event the House conferees did not accept the Senate amendment. The chairman of the committee did not feel that he was justified in making any commitment. This morning, however, I have satisfied myself that there will be a way, if necessary, to bring that issue before the House for a separate vote, therefore it is not my purpose to object at this time and I withdraw my reservation of objection.

Mr. RICH. Mr. Speaker, reserving the right to object, may I ask the gentleman the difference between what the House appropriated for Office of Price Administration and the amount that the Senate has agreed to?

Mr. CANNON of Missouri. The bill as it was transmitted from the House to the Senate carried an appropriation for the purpose of \$75,000,000. The Senate added an amendment raising this amount to \$125,000,000. There is a difference of \$50,000,000 between the two Houses.

Mr. RICH. Is it the intention in connection with rationing that is to be done by the Office of Price Administration and Mr. Henderson that all the workers now are to be paid workers in the carrying out of this work?

Mr. CANNON of Missouri. No; when the Administrator appeared before the House committee he explained that he expected to supplement his paid force with voluntary workers.

Mr. TABER. Will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from New York.

Mr. TABER. Is it not a fact that what he told us was that the clerks would be paid rather than the board members?

Mr. CANNON of Missouri. The staff of the local board, of course, would necessarily have to be paid.

Mr. TABER. There should be a good many cases in addition to that where the clerks do not need to be paid. My attention was called to one case in a State where they foisted a clerk drawing \$1,200 upon a State rationing board handling tires where they had only one tire a month to handle. I hope that there may be more business in the administration of the Office of Price Administration than there has been so far.

Mr. RICH. Mr. Speaker, further reserving the right to object, let me ask the gentleman this question: In connection with rationing, does not the gentleman believe that they are going to be able

to get the people of this country to adhere to the Price Administration rules and regulations if they get the people of this country enthused with the idea that they ought to do that rather than creating the idea that we are going to pay everybody that is interested in it and have the public go down in their pockets and pay the bill? We are considering a tax bill here today that is going to bend the back of every American in the country. They have to raise the money to do this work. Does not the gentleman think that the enthusiasm and patriotism of Americans is going to have more to do with it than a lot of political leeches who may be hanging on?

Mr. CANNON of Missouri. When the Congress enacts a measure it does so always with the understanding and belief that the legislation meets with public approval and will have the hearty cooperation of the people generally. I see no reason why this bill should be an exception to the rule.

Mr. GIFFORD. Mr. Speaker, reserving the right to object, I wish the gentleman would read the testimony of Mr. Henderson in the original set-up of price control where he stated he would need so few, and the public at large would see to it that the law was carried out. If you will read over his original testimony I want you to keep in mind that if we must have a lot of police officials and snoopers to see that every law we pass is obeyed, we will have come to a pretty bad end.

Mr. WOODRUM of Virginia. Mr. Speaker, further reserving the right to object, may I say to the gentleman from Massachusetts that a very small number of these people who are to be employed are to be people who are engaged in enforcement work.

The hearings before our committee showed that the various rationing programs and the rent program, if they are put into effect, and if they are implemented so that they will really amount to something—and heaven knows they have to amount to something if we are to be saved in this country—will require a sizable number of clerical persons who are thoroughly familiar with them and who will be able in these various communities to give information to the persons affected by this law. It is not a question of people snooping on them. In my home community the rationing board has had to call upon the industries to lend them clerical assistants in order to answer inquiries and to wait upon people having legitimate business with the rationing board.

Mr. GIFFORD. I am glad to have that explanation.

I wanted to recall to you in the first instance Mr. Henderson's testimony that

so few people would be needed in the price control set-up. There is the record before your Appropriations Committee.

Mr. CANNON of Missouri. One of the most important of many reasons why ample funds should be provided for the administration of the act is that where there is dissatisfaction with the administration of the law and where there are complaints to be adjudicated, personnel must be provided to receive such complaints and pass upon them and make satisfactory adjustments.

Mr. PATMAN. Mr. Speaker, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Texas.

Mr. PATMAN. The statement made by the gentleman from Massachusetts relative to Mr. Henderson's testimony, I think was predicated upon the selection of very few commodities to have their prices fixed. At the time it was not anticipated that there would be an over-all price ceiling such as we have at this time, neither was it anticipated that there would be a shortage of sugar or gasoline on the eastern seaboard. All these major problems have arisen since that testimony.

Mr. CANNON of Missouri. The situation necessarily changes from day to day and as the entire price administration program is largely projected along new and untried fields, and organization has not yet been completed, readjustments from time to time are inevitable. However, it is to be expected that a routine will shortly be established which will satisfactorily iron out all these preliminary difficulties.

The SPEAKER. Is there objection to the request of the gentleman from Missouri? (After a pause.) The Chair hears none, and appoints the following conferees: Messrs. CANNON of Missouri, WOODRUM of Virginia, LUDLOW, SNYDER, O'NEAL, JOHNSON of West Virginia, RABAU, JOHNSON of Oklahoma, TABER, WIGLESWORTH, LAMBERTSON, and DITTER.

ORDER OF BUSINESS

Mr. McCORMACK. Mr. Speaker I ask unanimous consent that the call of the Consent Calendar on Monday next be dispensed with and that it be in order to call the Consent Calendar on Tuesday next; and that it also be in order on Tuesday next to call the calendar of private bills.

Mr. MARTIN of Massachusetts. Reserving the right to object, Mr. Speaker, I do this for the purpose of finding out, if possible, what is the complete program for next week, and also when the bill that has just gone to conference will be called up.

Mr. McCORMACK. I am glad my friend asked that question, because I was going to make an observation about that. The purpose of putting the call of the Consent Calendar over from Monday until Tuesday is that following the vote on the tax bill, which will come on Monday, we may take up the conference report on the bill that has just gone to conference, if the conferees agree, and we are hopeful that they will. That is why that was done.

Mr. MARTIN of Massachusetts. Can the gentleman tell us the program for the rest of the week?

Mr. McCORMACK. I am unable to state that at this time.

Mr. MARTIN of Massachusetts. Can the gentleman tell us whether there is any likelihood of taking up the bill to permit soldiers to vote, a matter in which I have been greatly interested; in fact, I have introduced a bill to that effect, which has been pending in the Committee on Rules. Of course, if it is going to be of any good, we must act on that legislation promptly.

Mr. McCORMACK. That bill has been reported out of committee and is before the Committee on Rules. I join with the gentleman from Massachusetts in expressing the hope that it will be considered soon. Certainly, if we are going to do anything about this matter, it should be done very quickly. I see the chairman of the Committee on Rules is present. Probably he can give the House some information about this matter.

Mr. SABATH. We have had hearings on that bill. A question was raised as to its constitutionality, but I believe that has been clarified. I may say further that the State secretaries of state are having a meeting some place close by, and this morning I met with a special committee of seven of them who are urging that some such legislation be passed, but they desire a simplification of the bill. It is my aim to bring about a simplified bill that will not be cumbersome or expensive, and that will give the soldiers the right and opportunity to cast their vote the same as persons who are at home.

Mr. MARTIN of Massachusetts. It is the purpose of the gentleman to get the legislation here before the election?

Mr. SABATH. My aim is to bring the rule in here as soon as I can obtain enough votes for it and get the right kind of a bill, a bill that will be workable. Several of the secretaries of states whom I have mentioned are now in my office. Anticipating that both the majority and minority leaders were interested in the proposed legislation and its status in the Committee on Rules, I left the committee room immediately to come to the floor to assure them and the House that I am doing everything humanly possible to obtain early action by my committee.

Mr. RANKIN of Mississippi. Reserving the right to object, Mr. Speaker, may I say in reply to the gentleman from Illinois and the two gentlemen from Massachusetts that if the two gentlemen from Massachusetts representing both parties in that State had taken the precaution in Massachusetts that we took in Mississippi, their soldiers would have been in a position to vote. The same thing might have been done in Illinois.

Mr. MARTIN of Massachusetts. What precaution did you take in Mississippi?

Mr. RANKIN of Mississippi. We provided that they could vote.

Mr. MARTIN of Massachusetts. We have an absentee voting privilege, too, but we are trying to look at it in a much broader way.

Mr. SABATH. We are looking at it broadly.

Mr. RANKIN of Mississippi. You are always very broad when you are meddling in somebody else's business. The truth is that these fellows who are worried most about election laws have not looked after the election laws in their own States. Besides, this pressure is not coming from the soldiers themselves, it is coming from a few politicians who seem to want their names in the papers back home.

Mr. MARTIN of Massachusetts. How many people in Mississippi vote, anyway?

Mr. RANKIN of Mississippi. Enough of them vote down there to elect Representatives in Congress, and they will do so again.

Mr. MAY. Mr. Speaker, I demand the regular order.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts [Mr. McCORMACK]?

Mr. RICH. Reserving the right to object, Mr. Speaker—

The SPEAKER. The gentleman cannot reserve the right to object. The regular order has been demanded. Is there objection?

Mr. RICH. I object, Mr. Speaker.

COMMUNICATION FROM THE PRESIDENT OF HONDURAS

The SPEAKER laid before the House the following communication from the President of Honduras:

TEGUCIGALPA, HONDURAS.
SECRETARY OF THE HOUSE OF REPRESENTATIVES,
Washington, D. C.:

I sincerely thank your high and honorable House and you personally for sending me a magnificent copy of its resolution of February 2 and for the gracious compliments paid to my country and this government.

Your sincere friend,

TIBURCIO CARIAS A.

ORDER OF BUSINESS

Mr. McCORMACK. Mr. Speaker, I renew the request I made a moment ago.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

Mr. RICH. Mr. Speaker, reserving the right to object, I would like to ask the gentleman from Massachusetts a question in reference to the legislation for that week. We were told last week that after the tax bill was considered it was the intention or purpose, or at least we were left under the impression that it was the intention or purpose that the Congress should recess for several weeks. I notice in the papers this morning that the President is going to request Congress to remain in session and that we will have for consideration legislation governing wages. Is there anything coming before the House in the way of bills to be presented to the House whereby we will have regulation of wages in order that we may have the prices of commodities kept on a basis that will provide for the stabilization of prices that Mr. Henderson is trying to bring about?

Mr. McCORMACK. Of course, I can give no definite information except this: I have read the newspapers myself and it is needless to say that the Congress of the United States will make all personal

July 19

FIRST SUPPLEMENTAL NATIONAL DEFENSE APPROPRIATION BILL, 1943

JULY 18, 1942.—Ordered to be printed

MR. CANNON of Missouri, from the committee of conference, submitted the following

CONFERENCE REPORT

[To accompany H. R. 7319]

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 7319) making supplemental appropriations for the national defense for the fiscal year ending June 30, 1943, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 3, 4, 9, 18, and 24.

That the House recede from its disagreement to the amendments of the Senate numbered 2, 5, 6, 10, 13, 19, 21, 22, 23, 26, 27, 28, 29, 31, 34, 35, and 36; and agree to the same.

Amendment numbered 7:

That the House recede from its disagreement to the amendment of the Senate numbered 7, and agree to the same with an amendment, as follows:

In lieu of the sum proposed insert \$272,481,890; and the Senate agree to the same.

Amendment numbered 8:

That the House recede from its disagreement to the amendment of the Senate numbered 8, and agree to the same with an amendment, as follows:

Restore the matter stricken out by said amendment, amended to read as follows:

(b) *The head of any constituent agency may delegate to any official in such agency or in the field offices of the Division of Central Administrative Services the authority to make appointments of personnel and he may also delegate to any official in the agency of which he is the head the authority*

to make other determinations necessary for the conduct of the administrative management within such agency.

And the Senate agree to the same.

Amendment numbered 11:

That the House recede from its disagreement to the amendment of the Senate numbered 11, and agree to the same with an amendment, as follows:

In lieu of the sum proposed insert \$120,000,000; and the Senate agree to the same.

Amendment numbered 12:

That the House recede from its disagreement to the amendment of the Senate numbered 12, and agree to the same with an amendment, as follows:

In lieu of the sum proposed insert \$120,000,000; and the Senate agree to the same.

Amendment numbered 14:

That the House recede from its disagreement to the amendment of the Senate numbered 14, and agree to the same with an amendment, as follows:

Restore the matter stricken out by said amendment, amended to read as follows: *nor to prevent the furnishing in confidence to the War Department, the Navy Department, or the United States Maritime Commission, such data and information as may be requested by them for use in the performance of their official duties*; and the Senate agree to the same.

Amendment numbered 15:

That the House recede from its disagreement to the amendment of the Senate numbered 15, and agree to the same with an amendment, as follows:

In lieu of the matter inserted by said amendment, insert the following: *: Provided further, That no part of this appropriation shall be available for making any subsidy payments*; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 1, 16, 17, 20, 25, 30, 32, 33, 37, 38, 39, 40, 41, and 42.

CLARENCE CANNON,
C. A. WOODRUM,
LOUIS LUDLOW,
J. BUELL SNYDER,
EMMET O'NEAL,
GEO. W. JOHNSON,
LOUIS C. RABAUT,
JED JOHNSON,

Managers on the part of the House.

KENNETH MCKELLAR,
CARTER GLASS,
CARL HAYDEN,
RICHARD B. RUSSELL,
GERALD. P. NYE,

Managers on the part of the Senate.

STATEMENT OF THE MANAGERS ON THE PART OF THE HOUSE

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 7319) entitled "A bill making supplemental appropriations for the national defense for the fiscal year ending June 30, 1943, and for other purposes," submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

No. 2: Appropriates \$10,800,000 as proposed by the Senate, instead of \$9,000,000 as proposed by the House, for the Division of Central Administrative Services, Office for Emergency Management.

No. 3: The House bill provides that the constituent agencies of the Office for Emergency Management and Office of Price Administration should not establish fiscal, personnel, and other general services wherever the Director of the Budget determines that the Division of Central Administrative Services can render any such service. The Senate amendment provides that the Division of Central Administrative Services shall provide all of such services for the constituent agencies and the Office of Price Administration except where the Director of the Budget determines that because of special circumstances the service should be performed by the constituent agencies or by other Government agencies. The Senate recedes.

No. 4: Appropriates \$28,638,000, as proposed by the House, for the Office of the Coordinator of Inter-American Affairs, instead of \$28,660,500 as proposed by the Senate. The House managers intend that of the sum appropriated not more than \$22,500 may be made available by the Coordinator for the National Indian Institute.

No. 5: Makes a technical correction in the text of the appropriation for the National War Labor Board as proposed by the Senate.

No. 6: The House bill provides, in connection with the Office of Scientific Research and Development, that funds available to any Federal agency for scientific or technical research, etc. shall be available for transfer to the Office of Scientific Research and Development. The Senate amendment provides that such transfers may be made only with the approval of the agency involved and the House accepts the amendment.

No. 7: Corrects the total for the Office for Emergency Management.

No. 8: The House bill provides that the head of any of the constituent agencies of the Office for Emergency Management may delegate to any other official in such agency the authority to make appointments of personnel and to make other administrative determinations necessary for the conduct of the business of such agency. The Senate struck out the subsection. The conferees agree upon a substitute restoring the subsection amended to accomplish what was intended by the House bill with respect to appointment of personnel

and to narrow the interpretation of "other administrative determinations" in the House bill by substituting therefor "determinations necessary for the conduct of the administrative management within the agency".

No. 9: Makes a technical correction in a subsection designation.

Nos. 10, 11, 12, 13, 14, and 15, relating to the Office of Price Administration: Strikes out, as proposed by the Senate, authority for the purchase of press clippings; appropriates \$120,000,000, instead of \$75,000,000 as proposed by the House and \$125,000,000 as proposed by the Senate, for salaries and expenses; restores the House language, stricken out by the Senate, relating to the furnishing of confidential data and information to other Federal agencies for use in connection with the performance of their duties modified so as to confine such furnishing of data and information to the War and Navy Departments and the Maritime Commission in confidence upon their request for use in the performance of their official duties; and inserts the amendment, proposed by the Senate, prohibiting the use of Office of Price Administration appropriations for the payment of subsidies modified by striking out the words "directly or indirectly."

No. 18: Strikes out the reappropriation of \$30,000, inserted by the Senate, for the purchase of land at the Forest Products Laboratory, Madison, Wis.

No. 19: Appropriates \$20,000, as proposed by the Senate, for studies and experiments by the Bureau of Home Economics, Department of Agriculture, in the dehydration of leafy vegetables.

No. 21: Appropriates \$232,000, as proposed by the Senate, for salaries and expenses of the Petroleum Conservation Division, Department of the Interior.

Nos. 22, 23, and 24, relating to the Bureau of Indian Affairs: Appropriates \$22,415.43, as proposed by the Senate, for payment to the Middle Rio Grande Conservancy District, New Mexico; and strikes out the appropriation, inserted by the Senate, of \$18,000 from funds of the Shoshone Tribe of Indians (Wyoming) for employment of attorneys.

Nos. 26, 27, and 28, relating to the National Park Service: Appropriates \$10,000, as proposed by the Senate, for completion of a survey, investigation, and plan for utilization of the recreational resources of the Denison Dam Reservoir, Texas and Oklahoma; and appropriates \$15,000, as proposed by the Senate, for salaries and expenses of the National Capital Parks.

No. 29: Appropriates \$125,000, as proposed by the Senate, for salaries and expenses of the Special War Effort Unit, Department of Justice.

No. 31: Appropriates \$23,000, as proposed by the Senate, for contingent expenses of the Department of State.

No. 34: Appropriates \$27,000, as proposed by the Senate, to enable the Secretary of the Treasury to reimburse the District of Columbia government for benefit payments made from the revenues of such District to members of the White House Police force and members of the United States Secret Service entitled thereto under the act of October 14, 1940.

No. 35: Appropriates \$652,740 as proposed by the Senate, instead of \$127,740 as proposed by the House, for salaries and expenses of the Bureau of Internal Revenue.

No. 36: The House bill provides limitations on amounts for printing and binding, purchase of passenger automobiles, and traveling expenses under appropriations for agencies contained in the bill pursuant to the amounts therefor set forth in the justifications of the estimates of appropriations. The Senate amendment excepts from such limitations "special projects" and amounts included for transfer to other agencies. The House accepts the Senate amendment.

AMENDMENTS REPORTED IN DISAGREEMENT

The following amendments of the Senate are reported in disagreement:

No. 1: Increasing the pay of three laborers in the Senate by \$60 per annum each. The House managers will move that the House agree to the amendment.

No. 16: Relating to the limitation proposed by the Senate in connection with the appropriation for the Office of Price Administration with respect to the provisions of section 3 of the Emergency Price Control Act of 1942, relating to prices of agricultural commodities.

No. 17: Appropriating \$500,000 for salaries and expenses of the Board of Investigation and Research, Transportation. The House managers will move to concur in the Senate amendment with an amendment providing that such amount shall complete the studies required to be made by the Board under the Transportation Act of 1940.

No. 20: Making appropriations for the Office of Administrator of Civil Aeronautics and the Weather Bureau for the fiscal year 1943 available for free emergency medical service for their employees in Alaska and also for providing medical supplies and food and other subsistence supplies for resale to such employees. The House managers will move to concur in the Senate amendment.

No. 25: Appropriating \$350,000 to enable the Bureau of Mines to conduct pilot tests on the reduction of zinc concentrates to metal with methane gas. The House managers will move to concur in the Senate amendment.

No. 30: Appropriating \$320,000 for salaries in the Department of State. The House managers will move to concur in the Senate amendment.

No. 32: Appropriating \$1,300,000 to the Department of State for the "Foreign Service, Auxiliary appropriation." The House managers will move to concur in the Senate amendment.

No. 33: Reimbursing the emergency fund of the President in the sum of \$74,000 out of the appropriation in the bill for "Foreign-owned property control," Treasury Department, to repay advances made to enable the organization to meet its July 8 pay roll. The House managers will move to concur in the amendment.

No. 37: Relating to the transfer of personnel from one Federal agency to another at increased rates of compensation.

Nos. 38, 39, 40, and 41: Dating back to July 1, 1942, the appropriations in the Interior Department Appropriation Act, 1943, and the Departments of State, Justice, Commerce, and the Judiciary Appropriation Act, 1943, which were approved by the President on July 2, 1942. The House managers will move to concur in the amendment.

No. 42: Correcting a section number to conform to action on amendments in disagreement. The House managers will make an appropriate motion to accord with action on previous amendments in disagreement.

CLARENCE CANNON,
C. A. WOODRUM,
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LOUIS C. RABAUT,
JED JOHNSON,

Managers on the part of the House.

O

than has been rendered by Mr. John O'Brien and his staff in the preparation and drafting of this bill.

I thank every Member of the House for the gracious considerations always shown me. I shall never forget it. I want also to extend my thanks to the Speaker and the majority and minority leader. They have always been most cooperative and most helpful, and for them I have a genuine personal friendship and affection.

Mr. Chairman, I move that the Committee do now rise.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. LANHAM, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill (H. R. 7378) to provide revenue, and for other purposes, had come to no resolution thereon.

FIRST SUPPLEMENTAL APPROPRIATION BILL, 1943

Mr. CANNON of Missouri filed the following conference report and statement on the bill (H. R. 7319) making supplemental appropriations for the national defense for the fiscal year ending June 30, 1943, and for other purposes:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 7319) making supplemental appropriations for the national defense for the fiscal year ending June 30, 1943, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 3, 4, 9, 18, and 24.

That the House recede from its disagreement to the amendments of the Senate numbered 2, 5, 6, 10, 13, 19, 21, 22, 23, 26, 27, 28, 29, 31, 34, 35, and 36; and agree to the same.

Amendment numbered 7: That the House recede from its disagreement to the amendment of the Senate numbered 7, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "\$272,481,-890"; and the Senate agree to the same.

Amendment numbered 8: That the House recede from its disagreement to the amendment of the Senate numbered 8, and agree to the same with an amendment, as follows: Restore the matter stricken out by said amendment, amended to read as follows:

"(b) The head of any constituent agency may delegate to any official in such agency or in the field offices of the Division of Central Administrative Services the authority to make appointments of personnel and he may also delegate to any official in the agency of which he is the head the authority to make other determinations necessary for the conduct of the administrative management within such agency."

And the Senate agree to the same.

Amendment numbered 11: That the House recede from its disagreement to the amendment of the Senate numbered 11, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "\$120,-000,000"; and the Senate agree to the same.

Amendment numbered 12: That the House recede from its disagreement to the amendment of the Senate numbered 12, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "\$120,-000,000"; and the Senate agree to the same.

Amendment numbered 14: That the House recede from its disagreement to the amendment of the Senate numbered 14, and agree

to the same with an amendment, as follows: Restore the matter stricken out by said amendment, amended to read as follows: "nor to prevent the furnishing in confidence to the War Department, the Navy Department, or the United States Maritime Commission, such data and information as may be requested by them for use in the performance of their official duties"; and the Senate agree to the same.

Amendment numbered 15: That the House recede from its disagreement to the amendment of the Senate numbered 15, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following: "Provided further, That no part of this appropriation shall be available for making any subsidy payments"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 1, 16, 17, 20, 25, 30, 32, 33, 37, 38, 39, 40, 41, and 42.

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LOUIS LUDLOW,
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GEO. W. JOHNSON,
LOUIS C. RABAUT,
JED JOHNSON,

Managers on the part of the House.

KENNETH MCKELLAR,
CARTER GLASS,
CARL HAYDEN,
RICHARD B. RUSSELL,
GERALD P. NYE,

Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 7319) entitled "A bill making supplemental appropriations for the national defense for the fiscal year ending June 30, 1943, and for other purposes," submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

No. 2: Appropriates \$10,800,000 as proposed by the Senate instead of \$9,000,000 as proposed by the House, for the Division of Central Administrative Services, Office for Emergency Management.

No. 3: The House bill provides that the constituent agencies of the Office for Emergency Management and Office of Price Administration should not establish fiscal, personnel, and other general services wherever the Director of the Budget determines that the Division of Central Administrative Services can render any such service. The Senate amendment provides that the Division of Central Administrative Services shall provide all of such services for the constituent agencies and the Office of Price Administration except where the Director of the Budget determines that because of special circumstances the service should be performed by the constituent agencies or by other Government agencies. The Senate recedes.

No. 4: Appropriates \$28,638,000, as proposed by the House, for the Office of the Coordinator of Inter-American Affairs, instead of \$28,660,-500 as proposed by the Senate. The House managers intend that of the sum appropriated not more than \$22,500 may be made available by the Coordinator for the National Indian Institute.

No. 5: Makes a technical correction in the text of the appropriation for the National War Labor Board as proposed by the Senate.

No. 6: The House bill provides, in connection with the Office of Scientific Research and Development, that funds available to any Federal agency for scientific or technical research, etc. shall be available for transfer to the Office of Scientific Research and De-

velopment. The Senate amendment provides that such transfers may be made only with the approval of the agency involved and the House accepts the amendment.

No. 7: Corrects the total for the Office for Emergency Management.

No. 8: The House bill provides that the head of any of the constituent agencies of the Office for Emergency Management may delegate to any other official in such agency the authority to make appointments of personnel and to make other administrative determinations necessary for the conduct of the business of such agency. The Senate struck out the subsection. The conferees agree upon a substitute restoring the subsection amended to accomplish what was intended by the House bill with respect to appointment of personnel and to narrow the interpretation of "other administrative determinations" in the House bill by substituting therefor "determinations necessary for the conduct of the administrative management within the agency".

No. 9: Makes a technical correction in a subsection designation.

Nos. 10, 11, 12, 13, 14, and 15, relating to the Office of Price Administration: Strikes out, as proposed by the Senate, authority for the purchase of press clippings; appropriates \$120,000,000, instead of \$75,000,000 as proposed by the House and \$125,000,000 as proposed by the Senate, for salaries and expenses; restores the House language, stricken out by the Senate, relating to the furnishing of confidential data and information to other Federal agencies for use in connection with the performance of their duties modified so as to confine such furnishing of data and information to the War and Navy Departments and the Maritime Commission in confidence upon their request for use in the performance of their official duties; and inserts the amendment, proposed by the Senate, prohibiting the use of Office of Price Administration appropriations for the payment of subsidies modified by striking out the words "directly or indirectly."

No. 18: Strikes out the reappropriation of \$30,000, inserted by the Senate, for the purchase of land at the Forest Products Laboratory, Madison, Wis.

No. 19: Appropriates \$20,000, as proposed by the Senate, for studies and experiments by the Bureau of Home Economics, Department of Agriculture, in the dehydration of leafy vegetables.

No. 21: Appropriates \$232,000, as proposed by the Senate, for salaries and expenses of the Petroleum Conservation Division, Department of the Interior.

Nos. 22, 23, and 24, relating to the Bureau of Indian Affairs: Appropriates \$22,415.43, as proposed by the Senate, for payment to the Middle Rio Grande Conservancy District, New Mexico; and strikes out the appropriation, inserted by the Senate, of \$18,000 from funds of the Shoshone Tribe of Indians (Wyoming) for employment of attorneys.

Nos. 26, 27, and 28, relating to the National Park Service: Appropriates \$10,000, as proposed by the Senate, for completion of a survey, investigation, and plan for utilization of the recreational resources of the Denison Dam Reservoir, Texas and Oklahoma; and appropriates \$15,000, as proposed by the Senate, for salaries and expenses of the National Capital Parks.

No. 29: Appropriates \$125,000, as proposed by the Senate, for salaries and expenses of the Special War Effort Unit, Department of Justice.

No. 31: Appropriates \$23,000, as proposed by the Senate, for contingent expenses of the Department of State.

No. 34: Appropriates \$27,000, as proposed by the Senate, to enable the Secretary of the Treasury to reimburse the District of Columbia government for benefit payments made from the revenues of such District to mem-

bers of the White House Police force and members of the United States Secret Service entitled thereto under the act of October 14, 1940.

No. 35: Appropriates \$652,740 as proposed by the Senate, instead of \$127,740 as proposed by the House, for salaries and expenses of the Bureau of Internal Revenue.

No. 36: The House bill provides limitations on amounts for printing and binding, purchase of passenger automobiles, and traveling expenses under appropriations for agencies contained in the bill pursuant to the amounts therefor set forth in the justifications of the estimates of appropriations. The Senate amendment excepts from such limitations "special projects" and amounts included for transfer to other agencies. The House accepts the Senate amendment.

Amendments reported in disagreement

The following amendments of the Senate are reported in disagreement:

No. 1: Increasing the pay of three laborers in the Senate by \$60 per annum each. The House managers will move that the House agree to the amendment.

No. 16: Relating to the limitation proposed by the Senate in connection with the appropriation for the Office of Price Administration with respect to the provisions of section 3 of the Emergency Price Control Act of 1942, relating to prices of agricultural commodities.

No. 17: Appropriating \$500,000 for salaries and expenses of the Board of Investigation and Research, Transportation. The House managers will move to concur in the Senate amendment with an amendment providing that such amount shall complete the studies required to be made by the Board under the Transportation Act of 1940.

No. 20: Making appropriations for the Office of Administrator of Civil Aeronautics and the Weather Bureau for the fiscal year 1943 available for free emergency medical service for their employees in Alaska and also for providing medical supplies and food and other subsistence supplies for resale to such employees. The House managers will move to concur in the Senate amendment.

No. 25: Appropriating \$350,000 to enable the Bureau of Mines to conduct pilot tests on the reduction of zinc concentrates to metal with methane gas. The House managers will move to concur in the Senate amendment.

No. 30: Appropriating \$320,000 for salaries in the Department of State. The House managers will move to concur in the Senate amendment.

No. 32: Appropriating \$1,300,000 to the Department of State for the "Foreign Service, Auxiliary appropriation." The House managers will move to concur in the Senate amendment.

No. 33: Reimbursing the emergency fund of the President in the sum of \$74,000 out of the appropriation in the bill for "Foreign-owned property control," Treasury Department, to repay advances made to enable the organization to meet its July 8 pay roll. The House managers will move to concur in the amendment.

No. 37: Relating to the transfer of personnel from one Federal agency to another at increased rates of compensation.

Nos. 38, 39, 40, and 41: Dating back to July 1, 1942, the appropriations in the Interior Department Appropriation Act, 1943, and the Departments of State, Justice, Commerce, and the Judiciary Appropriation Act, 1943, which were approved by the President on July 2, 1942. The House managers will move to concur in the amendment.

No. 42: Correcting a section number to conform to action on amendments in dis-

agreement. The House managers will make an appropriate motion to accord with action on previous amendments in disagreement.

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Managers on the part of the House.

Mr. CANNON of Missouri. Mr. Speaker, may I say at this time it is expected to call up this conference report and dispose of it immediately following final disposition of the tax bill now pending before the House.

EXTENSION OF REMARKS

Mr. MCINTYRE. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD with reference to two separate matters and to include a letter in connection with it.

The SPEAKER. Is there objection to the request of the gentleman from Wyoming [Mr. MCINTYRE]?

There was no objection.

[The matters referred to appear in the Appendix.]

Mr. KNUTSON. Mr. Speaker, on Thursday the House very graciously granted me permission to extend my own remarks in the RECORD and to include proceedings of the third annual employer-employee relations good-will dinner, recently held in the city of Minneapolis. The Government Printing Office has advised me that this will require 6 pages and will cost \$270. Were it not for the fact that I think this plan to maintain good relations between employer and employee is a good one and ought to go out over the country, I would not ask to have the proceedings incorporated in the RECORD. I ask unanimous consent that these proceedings may be included as a part of my remarks notwithstanding the cost above stated.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota [Mr. KNUTSON]?

There was no objection.

[The matter referred to appears in the Appendix.]

PERMISSION TO ADDRESS THE HOUSE

Miss SUMNER of Illinois. Mr. Speaker, I ask unanimous consent that on Tuesday next, July 21, at the conclusion of the legislative program of the day and following any special orders heretofore entered, I may be permitted to address the House for 30 minutes.

The SPEAKER. Is there objection to the request of the gentlewoman from Illinois?

There was no objection.

Miss SUMNER of Illinois. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentlewoman from Illinois?

There was no objection.

EMPLOYMENT CONTROL ON GOVERNMENT-FINANCED PROJECTS

Miss SUMNER of Illinois. Mr. Speaker, the Commercial News of Danville, Ill., carried a story July 16 that a certain politician has been indicted for obtaining \$300 from one worker and \$350 from others by pretending he did have power and authority to control employment of trucks and truck drivers in connection with construction of huge Government-financed projects.

Whether or not these particular defendants are guilty still remains to be determined by the court. We have heard on this floor, however, numerous similar complaints. I suggest to the people in local communities that while some holders of office in government departments may be too busy, timid or genial to enforce Federal laws in respect to influential racketeers, patriotic and brave citizens can and should under various State statutes bring evidence of such crimes to the bar of justice in their State.

A few convictions here and there throughout the Nation will put a halt to such nefarious rackets.

EXTENSION OF REMARKS

Mr. EDWIN ARTHUR HALL, Mr. MURDOCK, and Mr. PATRICK asked and were given permission to extend their own remarks in the RECORD.

Mr. GEARHART. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein two editorials from the Fresno Bee.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

[The matter referred to will appear hereafter in the Appendix.]

Mr. GILLIE. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a report from the Agricultural Adjustment Administration in my district.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

[The matter referred to appears in the Appendix.]

Mr. CARLSON. Mr. Speaker, I ask unanimous consent to revise and extend the remarks I made today and to include therein a short table.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

ENROLLED BILLS SIGNED

Mr. KIRWAN, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 5392. An act to convey certain property to the Southwest Texas State Teachers College;

H. R. 5695. An act to amend the Civilian Pilot Training Act of 1939 so as to provide

Mr. McKEOUGH. I object, Mr. Chairman.

Mr. BOREN. Mr. Chairman, I ask for a vote on the division as I have outlined it then.

The CHAIRMAN. The Chair will state that the gentleman does not have to ask unanimous consent to withdraw his request for a division.

Mr. DINGELL. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. DINGELL. I think, perhaps, by making an inquiry at this time I can help clarify the situation. The bill as it stands now provides for 45 percent normal and surtax and 87½ percent excess profits tax. What is sought by the proposal of my friend from Oklahoma is a separate vote on whether it shall be 87½ percent on excess profits or 90 percent. The Committee can vote for 90 percent if that is what is desired and when the question comes of reducing the 45 percent, which, after all, is the important part, to 40 percent, we can vote that down and then the bill will provide for 90 percent and 45 percent if that is the determination of the Committee. I think that is what ought to be done.

Mr. RANKIN of Mississippi. Mr. Chairman, I ask for a vote.

Mr. MARTIN of Massachusetts. Mr. Chairman, I make the point of order that all these questions are raised for the purpose of delaying a vote and are entirely out of order and I submit that we should proceed for a vote on the matter.

Mr. McKEOUGH. Mr. Chairman, I rise to a point of order, to inquire whether or not the gentleman from Oklahoma [Mr. BOREN] has withdrawn the demand for a division, and if he has, I renew it.

The CHAIRMAN. The Chair understands that the gentleman has withdrawn it.

Mr. ROBERTSON of Virginia. Mr. Chairman, I make the point of order that we cannot do by indirection what we are prohibited from doing directly. We have a rule which prohibits an amendment or any amendment to an amendment brought in by the Ways and Means Committee. The purpose of this division, and the only purpose of it, is to do by indirection what we cannot do by direction. It is to divide and destroy. I make the point of order that you cannot divide the motion.

The CHAIRMAN. The Chair states, in conformance with his former ruling, that the amendment is divisible. If the gentleman from Oklahoma has withdrawn his request for a division, the gentleman from Illinois has renewed it. So the Clerk will report the first part of the amendment. It is understood from the gentleman from Oklahoma that he wished the two voted on together. Is that in accordance with the request of the gentleman from Illinois?

Mr. McKEOUGH. Mr. Chairman, in the light of the present parliamentary situation, I desire a separate vote taken on the 90-percent excess-profits tax as against the 87½ percent, and a separate vote on the 40-percent normal and surtax, as against the 45 percent. The com-

mittee amendment demands a 90 and 40 in lieu of the 87½ and 45, originally reported by the Committee on Ways and Means to the House, and which was the basis for the 3 days of general debate.

Mr. KNUTSON. Mr. Chairman, I rise to make the point of order that the first vote should come on whether the rate of 45 should be lowered to 40. That is the first part of the amendment.

The CHAIRMAN. The Chair is endeavoring to ascertain how the gentleman from Illinois [Mr. McKEOUGH] wants his division, in order that it may be passed on by the Committee in that way. The Chair is inquiring to obtain information from the Committee with reference to the two particular parts of this amendment on which the gentleman from Illinois demands a division.

Mr. REED of New York. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. REED of New York. Mr. Chairman, I maintain that the vote must come on the items as they appear in the amendment itself, and not in the discretion of anyone on the floor.

The CHAIRMAN. The Chair for the present is endeavoring to determine which two parts of the amendment the gentleman from Illinois wishes divided.

Mr. McKEOUGH. Mr. Chairman, I shall be happy to tell the Chair. I desire a separate vote at page 15, line 13, which is the third item of the proposed amendment, coupled with the last item on page 2, relating to page 195, line 2.

The CHAIRMAN. Does the gentleman wish a separate vote on each?

Mr. McKEOUGH. No; combined.

The CHAIRMAN. The Clerk will report the portion of the amendment on which the Committee will first vote.

The Clerk read as follows:

Committee amendment offered by Mr. DOUGHTON: Page 14, line 6, strike out "32 percent" and insert in lieu thereof "22 percent"; page 14, lines 9 and 10, strike out "21 percent" and insert in lieu thereof "16 percent"; page 18, line 13, strike out "37 percent" and insert in lieu thereof "36 percent"; page 18, line 18, strike out "\$22,900" and insert in lieu thereof "\$22,800"; page 18, line 20, strike out "\$22,900" and insert in lieu thereof "\$22,800"; page 18, line 24, strike out "\$22,900" and insert in lieu thereof "\$22,800"; page 19, line 1, strike out "\$22,900" and insert in lieu thereof "\$22,800"; page 19, line 4, strike out "\$22,900" and insert in lieu thereof "\$22,800"; page 19, line 5, strike out "37 percent" and insert in lieu thereof "36 percent"; page 19, line 9, strike out "37 percent" and insert in lieu thereof "36 percent"; page 19, line 14, strike out "37 percent" and insert in lieu thereof "36 percent"; page 19, line 23, strike out "37 percent" and insert in lieu thereof "36 percent"; page 131, line 20, strike out "42 percent" and insert in lieu thereof "32 percent"; page 137, line 17, strike out 21 percent" and insert in lieu thereof "16 percent"; page 137, line 21, strike out "45 percent" and insert in lieu thereof "40 percent"; page 151, line 20, strike out "21 percent" and insert in lieu thereof "16 percent."

Mr. COOPER. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. COOPER. The effect of that part of the amendment that has just been re-

ported relates to the reduction of the normal and surtax on corporations from 45 to 40 percent. The rest to be voted on separately relates to increasing the excess-profits tax from 87½ percent to 90 percent.

The CHAIRMAN. The vote is upon the portion of the amendment which has been read by the Clerk.

The question was taken, and on a division there were ayes 149 and noes 161.

Mr. DOUGHTON. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chair appointed Mr. DOUGHTON and Mr. McLEAN to act as tellers.

The Committee again divided; and the tellers reported there were ayes 160 and noes 180.

So the first portion of the amendment was rejected.

The CHAIRMAN. The Clerk will report the second portion of the amendment.

The Clerk read as follows:

Page 15, line 13, strike out "87½ percent" and insert in lieu thereof "90 percent."

Page 195, line 2, strike out "87½ percent" and insert in lieu thereof "90 percent."

The CHAIRMAN. The question is on the part of the amendment read by the Clerk.

The second part of the amendment was agreed to.

The CHAIRMAN. Are there any further committee amendments?

Mr. DOUGHTON. Mr. Chairman, I offer a committee amendment, which is at the Clerk's desk.

The Clerk read as follows:

Committee amendment offered by Mr. DOUGHTON: Page 13, line 22, after "231 (a)", insert "i, Supplement G."

Page 101, line 1, after "paid", insert "or deemed to be paid", and in line 5 strike out "or deemed to be paid."

Page 127, strike out lines 16 to 19, inclusive, in line 20 strike out "(2)" and insert "(1)", and in line 24 strike out "(3)" and insert "(2)."

Page 198, line 20, strike out "710 (a) (1)" and insert "710 (c) (1)."

Page 215, line 16, before "is amended" insert "(a)."

Page 289, line 5, after "79", insert "k."

Page 294, line 17, strike out the period after "section."

Page 305, line 17, after "except", insert "that."

Page 319, line 13, after "before" and before "the", strike out the parenthesis, and in line 14, after "tion" and before the comma, strike out the parenthesis.

Mr. COOPER. Mr. Chairman, this amendment is simply correcting some clerical errors in the bill as suggested by the Drafting Service and is unanimously reported by the committee.

Mr. McLEAN. Mr. Chairman, will the gentleman yield?

Mr. COOPER. I yield.

Mr. McLEAN. These are the technical amendments that were presented to the committee this morning and which we agreed upon unanimously?

Mr. COOPER. Absolutely, such as changing a parenthesis or changing a number, or something like that.

The CHAIRMAN. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

The CHAIRMAN. Are there any further committee amendments?

Mr. DOUGHTON. Mr. Chairman, the committee has no further amendments.

The CHAIRMAN. Under the rule, the Committee will rise.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. LANHAM, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee had had under consideration the bill (H. R. 7378) to provide revenue, and for other purposes, and, pursuant to House Resolution No. 522, he reported the same back to the House with sundry amendments adopted in Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en grosse.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

Mr. COOPER. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 395, nays 2, not voting 35, as follows:

[Roll No. 102]

YEAS—395

Allen, Ill.	Cannon, Mo.	Eaton
Allen, La.	Capozzoli	Eberharter
Andersen,	Carlson	Edmiston
H. Carl	Carter	Elliot, Mass.
Anderson, Calif.	Cartwright	Elliot, Calif.
Anderson,	Case, S. Dak.	Elston
N. Mex.	Casey, Mass.	Engel
Andresen,	Celler	Englebright
August H.	Chapman	Faddis
Andrews	Chipperfield	Fellows
Angell	Clark	Fenton
Arends	Clason	Fish
Arnold	Claypool	Fitzgerald
Baldwin	Clevenger	Fitzpatrick
Barden	Cluett	Flaherty
Barnes	Cochran	Flannagan
Barry	Coffee, Wash.	Fogarty
Bates, Ky.	Cole, Md.	Folger
Bates, Mass.	Cole, N. Y.	Forand
Baumhart	Colmer	Ford, Leland M.
Beam	Cooley	Ford, Miss.
Beckworth	Cooper	Ford, Thomas F.
Beiter	Copeland	Fulmer
Bell	Costello	Gale
Bender	Courtney	Gamble
Bennett	Cox	Gathings
Bishop	Cravens	Gavagan
Blackney	Crawford	Gearhart
Bland	Creal	Gehrmann
Bloom	Crowther	Gerlach
Boehne	Cykin	Gibson
Boggs	Cunningham	Gifford
Bolton	Curtis	Gilchrist
Bonner	D'Alesandro	Gillette
Boren	Davis, Ohio	Gillie
Boykin	Davis, Tenn.	Gore
Bradley, Mich.	Day	Gossett
Bradley, Pa.	Dewey	Graham
Brooks	Dickstein	Granger
Brown, Ga.	Dies	Grant, Ala.
Brown, Ohio	Dingell	Grant, Ind.
Bryson	Dirksen	Green
Buck	Disney	Gregory
Buckler, Minn.	Ditter	Guyer
Bulwinkle	Domengeaux	Gwynne
Burch	Dondero	Ha nes
Burdick	Doughton	Hall
Burgin	Douglas	Edwin Arthur
Butler	Downs	H II,
Eyrne	Drewry	Leonard W.
Camp	Duncan	Halleck
Canfield	Durham	Hancock
Cannon, Fla.	Dworshak	Hare

Harness	Maciejewski	Scanlon
Harris, Ark.	Maciora	Schuetz
Harris, Va.	Magnuson	Schulte
Hart	Mahon	Scott
Harter	Manasco	Secrest
Hartley	Mansfield	Shafer, Mich.
Healey	Marcantonio	Shanley
Hébert	Martin, Iowa	Sheppard
Heffernan	Martin, Mass.	Sheridan
Heldinger	Mason	Short
Hendricks	May	Sikes
Hess	Merritt	Simpson
Hill, Colo.	Meyer, Md.	Smith, Maine
Hill, Wash.	Michener	Smith, Ohio
Hinshaw	Miller	Smith, Va.
Hobbs	Mills, Ark.	Smith, Wash.
Hoffman	Mills, La.	Smith, Wis.
Holbrook	Monroney	Snyder
Holland	Mott	Somers, N. Y.
Holmes	Mundt	Sparkman
Hook	Murdock	Spence
Hope	Murray	Springer
Howell	Myers, Pa.	Starnes, Ala.
Hull	Nelson	Steagall
Hunter	Nichols	Stearns, N. H.
Imhoff	Norrell	Stefan
Izac	Norton	Stevenson
Jackson	O'Brien, Mich.	Stratton
Jacobson	O'Brien, N. Y.	Sullivan
Jarman	O'Hara	Summer, Ill.
Jenkins, Ohio	O'Leary	Summers, Tex.
Jenks, N. H.	O'Neal	Sutphin
Jennings	O'Toole	Sweeney
Jensen	Pace	Taber
Johns	Paddock	Talbot
Johnson, Calif.	Patman	Talle
Johnson, Ill.	Patrick	Tarver
Johnson, Ind.	Patton	Tenerowicz
Johnson,	Pearson	Thill
Luther A.	Peterson, Fla.	Thom
Johnson,	Peterson, Ga.	Thomas, N. J.
Lyndon B.	Pfeifer	Thomas, Tex.
Johnson, Okla.	Joseph L.	Thomason
Johnson, W. Va.	Pheiffer,	Tibbott
Jones	William T.	Tolan
Jonkman	Pierce	Traynor
Kean	Pittenger	Treadway
Keefe	Plauché	Van Zandt
Kefauver	Ploeser	Vincent, Ky.
Kelley, Pa.	Plumley	Vinson, Ga.
Kelly, Ill.	Poage	Voorhis, Calif.
Kennedy,	Powers	Vorys, Ohio
Martin J.	Priest	Vreeland
Keogh	Rabaut	Wadsworth
Kerr	Ramsay	Walter
Kilburn	Ramspeck	Ward
Klinzer	Randolph	Wasielewski
Kirwan	Rankin, Miss	Weaver
Klein	Rankin, Mont.	Weiss
Knutson	Reece, Tenn.	Welch
Kopplemann	Reed, Ill.	Wene
Kramer	Reed, N. Y.	West
Kunkel	Rees, Kans.	Wheat
Lambertson	Rich	Whelchel
Landis	Richards	White
Lane	Rivers	Whitten
Lanham	Rizley	Whittington
Larrabee	Robertson,	Wickersham
Lea	N. Dak.	Wigglesworth
LeCompte	Robertson, Va.	Williams
Lesinski	Robinson, Utah	Wilson
Lewis	Rockefeller	Winter
Ludlow	Rockwell	Wolcott
Lynch	Rodgers, Pa.	Wolfenden, Pa.
McCormack	Rogers, Mass.	Wolverton, N. J.
McGehee	Rolph	Woodruff, Mich.
McGanery	Romjue	Woodrum, Va.
McGregor	Russell	Wright
McIntyre	Sabath	Young
McKeough	Sacks	Youngdahl
McLaughlin	Sanders	Zimmerman
McLean	Sasser	
McMillan	Satterfield	

NAYS—2

Moser Oliver

NOT VOTING—35

Buckley, N. Y.	Kee	Robson, Ky.
Byron	Kennedy.	Rogers, Okla.
Chenoweth	Michael J.	Sauthoff
Coffee, Nebr.	Kilday	Schaefer, Ill.
Collins	Kieberg	Scruggam
Crosser	Kocalkowski	Shannon
Cullen	Leavy	Smith, Pa.
Delaney	Maas	Smith, W. Va.
Ellis	Mitchell	South
Harrington	O'Connor	Terry
Houston	O'Day	Tinkham
Jarrett	Osmer	Worley

So the bill was passed.

The Clerk announced the following pairs:

General pairs:

Mr. Terry with Mr. Robson of Kentucky.
Mr. Michael J. Kennedy with Mr. Chenoweth.
Mr. Kee with Mr. Osmer.
Mr. Cullen with Mr. Tinkham.
Mr. Delaney with Mr. Sauthoff.
Mr. Ellis with Mr. Jarrett.

The result of the vote was announced as above recorded.

The motion to reconsider was laid on the table.

FIRST SUPPLEMENTAL NATIONAL DEFENSE APPROPRIATION BILL, 1943—CONFERENCE REPORT

Mr. CANNON of Missouri. Mr. Speaker, I call up the conference report on the bill (H. R. 7319) making supplemental appropriations for the national defense for the fiscal year ending June 30, 1943, and for other purposes, and ask unanimous consent that the statement be read in lieu of the report.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

The Clerk read the statement of the managers on the part of the House.

(For conference report and statement, see proceedings of the House of July 18, 1942.)

Mr. CANNON of Missouri. Mr. Speaker, I yield myself 15 minutes.

The SPEAKER. The gentleman from Missouri is recognized for 15 minutes.

Mr. CANNON of Missouri. Mr. Speaker, we submit to you herewith a conference report on the last appropriation bill for this session, necessary at this time to inaugurate the new fiscal year. It is not only the last of the general appropriation bills, but it comes at the close of the second fiscal year of war preparation.

The Committee on Appropriations has sat more continuously and handled more business since the 1st day of last December—when we began hearings on the first of the 1943 supply bills—than any other committee has ever done in the history of the Congress. Appropriations made at this session are not only the largest ever made by any Congress, but they are the largest ever made by any parliamentary body in the history of the world. We have in this brief time made preparation for the greatest military and naval force ever provided for. Not a dollar that has been requested by the Army and the Navy for which there was any real justification which has been denied. Every item requested of Congress by the Executive or by either branch of the service has been supplied in record time and in generous amount; yet I have been surprised to note in the press and over the radio in the last week an indictment of the Congress on the ground that it is not providing for the war. We are charged with not ordering up a second front; it is charged that Washington is fiddling while Rome burns. In some instances we are charged with profligate waste, in others with crippling parsimony, but there seems to be a general accord that Congress is, for some reason not specified, very much at fault, and has failed to live

up to its opportunities and its obligations.

The proof is the record. Never in so short a time has so much been asked of a Congress, and never within that time has every requisition been so adequately supplied. Let me say emphatically in answer to all these charges that the Congress, in these brief but critical months, has made a record unequalled by any similar body, and that never before in the history of the American Republic has the Nation been girded for war so efficiently, so adequately, so amply, and with such success as judged by any criterion that can be applied.

Mr. TABER. Mr. Speaker, will the gentleman yield at that point?

Mr. CANNON of Missouri. I yield to the gentleman from New York.

Mr. TABER. The gentleman perhaps will recall that on many occasions the committee worked long hours and brought out bills for enormous sums of money on a very few days' notice and within a very few days after Budget estimates were submitted to it.

Mr. CANNON of Missouri. The gentleman is exactly right; he correctly describes the arduous speed with which the members of the committee have labored to get out these bills on time. The committee has been in almost constant session. Night work has been the rule upon the part of all members. This reflection on the Committee on Appropriations and its membership is unwarranted and unjustified.

Mr. LAMBERTSON. Mr. Speaker, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Kansas.

Mr. LAMBERTSON. And it has been the testimony of the Army and Navy before the Appropriations Committee that they have not asked for anything but what has been granted to them. Is not that true?

Mr. CANNON of Missouri. As the gentleman says, we have repeatedly asked the representatives of both branches of the service if there was anything more they thought should be provided by the Congress, and after full consideration they have assured us that nothing more was required, and nothing had been asked which had not been supplied.

Mr. CELLER. Mr. Speaker, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from New York.

Mr. CELLER. Does the conference report approve the provision, I believe inserted in the measure by the other House, requiring confirmation by the Senate of all employees of O. P. A. receiving more than \$4,500 per annum?

Mr. CANNON of Missouri. No such matter came before the conference committee. No such provision was carried in the bill as it passed either House. There was, therefore, no difference of that character between the two bodies.

Mr. Speaker, we have not only provided every dollar and every item requested but it is gratifying to be able to report that in the expenditure of these funds all production records have been broken. Starting at a great disadvantage and under heavy handicaps, years after the enemy

had begun production for this war, labor and industry are putting over an amazing job of production. Bottlenecks have at last been broken. We have now financed the construction of all new plants, the improvement, the enlargement, and expansion of existing plants, and from now on production is merely a matter of routine. From now on the only problem will be to secure sufficient supplies of raw materials and the problem of transportation of the finished product.

So far as the materials are concerned, we have the encouraging report that we are now in position to produce 65 percent more steel than all Axis sources combined; that in securing aluminum, the next most essential metal, we have already surpassed enemy production, and in 1943 will be far in the lead in the production and fabrication of aluminum.

The Congress has not only provided funds for facilities but it has exercised the most commendable forethought. Beginning as early as 1937, and in 1938 and 1939 we provided for needed stores of strategic material. In 1940 and 1941 we provided for more air bases than were constructed within the time limit. We provided large funds for aircraft, military aircraft, naval aircraft, and civilian aircraft.

Most important of all, we have provided with 100-percent efficiency for the millions of men in the service. They are deployed over the face of the earth. They are on every battle front, on land and sea, in the air above and submerged in the waters beneath. But nowhere in all our far-flung battle line can an American service man be found today who is not appropriately housed, who is not adequately armed and munitioned, who is not well fed and provided with every available hospital facility. It is a record unparalleled in the preparation for any war in the history of our country. So successfully has this work been done that there have been no epidemics, no contagions; there have been no abnormal hospital lists. The health of the men in the service has been better than in civilian life. The men in the armed forces of the United States Army and Navy are in better health, incredible as that may seem, than they would have been had they remained at home.

I ask those, then, who are writing these inflammatory editorials against the Congress, what more would they ask? I give anyone now on the floor of this House the opportunity to rise and point to any one provision, large or small, for which appropriations should be made, which has not been made.

I do not make reference to this reflection upon the Congress in defense of Congress or from the congressional point of view. It is nothing new for the Congress to be misrepresented and abused. If reflection upon Congress, whether justified or unjustified, were the only effect, it would be a matter of no moment whatever, but disseminating the idea of dereliction of duty on the part of a great branch of the Government, arouses distrust, creates unrest, engenders unwarranted suspicion in the minds of the people, and to that extent destroys unity and interferes with the

prosecution of the war, and those who promote it are rendering a disservice to the Government and the cause of American armies. They are to that extent delaying the conclusion of the war and placing in jeopardy that much longer American patriots.

Mr. AUGUST H. ANDRESEN. Will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Minnesota.

Mr. AUGUST H. ANDRESEN. There is no question in my mind but what these people to whom the gentleman refers are trying to bring about a disunity in this country, not only here in the Congress, but a distrust against the duly elected Representatives on the part of the people. They have to blame somebody for the failures, so they have picked on the Congress. What the gentleman has said about industry, labor, and agriculture doing a wonderful job is correct. The people have done a superbly splendid job. Some people are demanding a second front. Our second front is to go out here in the Atlantic and sink some of these submarines that have sunk nearly 400 ships up to this time. Our products are piling up in this country so that we cannot ship them out.

[Here the gavel fell.]

Mr. CANNON of Missouri. Mr. Speaker, I yield myself 5 more minutes.

Mr. AUGUST H. ANDRESEN. In order to get our products, of which we have an abundance in every line, to the fighting forces, we must have ships; therefore, the second front is right here in the Atlantic. It is up to the Navy Department and the War Department to use the funds that the Congress has supplied them with to begin this second front in order to let our goods flow to the fighting fronts of the world.

Mr. CANNON of Missouri. Congress has supplied every material facility for the establishment of a second front. It is not for the Congress to say when, where, or if there should be a second front, but if and when it is necessary, Congress has made every provision that could be made or asked for such a campaign.

Mr. MOTT. Will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Oregon.

Mr. MOTT. I gather from the gentleman's remarks that he has not only read all of this editorial and columnist smearing of the Congress but that he has made a careful analysis of it. I concur in the views he has expressed. The gentleman has indicated that this is the result of a concerted action upon the part of those people who are smearing Congress. I want to ask the gentleman if he has come to any conclusion with reference to the reason for this apparently concerted smearing of the legislative branch of the Government and the attempt of these people to weaken or discredit the Congress?

Mr. CANNON of Missouri. It must be due to failure to realize the serious results involved.

Mr. MOTT. I think perhaps I did not make myself quite clear. I am asking the gentleman whether he has come to any

conclusion as to the reason for this concerted movement to smear the Congress on the part of some editorial writers?

Mr. CANNON of Missouri. A failure to realize the importance of encouraging unity and establishing confidence in the Government; the effect of disunity and distrust on the war effort; the importance of cooperation and confidence in winning the war.

It is going to be a long and heart-breaking war. There is little likelihood that it can be concluded in less than 2 years. There is every possibility that it may be 4 years or more before it can be concluded. We are losing on every front. The enemy has occupied continental American territory and has not been dislodged. We are in the darkest day of the war since the fall of France.

Mr. MOTT. Mr. Speaker, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Oregon.

Mr. MOTT. May I put my question in another way: Does the gentleman think that what he has referred to as a concerted movement to smear the Congress on the part of some editorial writers and newspapermen is deliberate and done for a purpose, or is done through ignorance on the part of these newspaper people?

Mr. CANNON of Missouri. I cannot think there is any deliberate purpose, or any conscious desire to injure the American Congress. Sensational headlines always attract attention. Abuse receives more notice than praise. There is always a temptation to resort to the spectacular, and the American people have always exercised without let or hindrance the right to life, liberty, and the abuse of Congress. They have merely failed to keep step; to realize the effect of their invectives.

[Here the gavel fell.]

Mr. CANNON of Missouri. Mr. Speaker, I yield myself 3 additional minutes.

May I say that equipment is being provided at an unprecedented rate, that our forces, when they have been able to meet the enemy on anything like equal terms have invariably won. Wherever they have an equal chance our men are winning, and they will continue to win.

Mr. Speaker, the summary of the action of the conferees on the amendments in disagreement between the two Houses comprises:

Amount of bill as passed the Senate-----	\$1,863,961,710.90
Amount of bill as passed the House-----	1,808,669,615.47
Increase by Senate--	55,292,095.43
House recedes from (if motions to be made in the House are all agreed to)-----	50,269,595.43
Senate recedes from-----	5,022,500.00
Bill as agreed upon-----	1,858,939,210.90
Budget estimates for the bill-----	1,919,807,749.90
Bill as agreed upon-----	1,858,939,210.90
Bill less than Budget estimates-----	-60,868,539.00

The bill comes back to the House \$50,000,000 more than when it passed. Of

this increase \$45,000,000 is the additional amount given to the O. P. A., \$1,800,000 goes to the Division of Central Administrative Services of the Office for Emergency Management on account of the increase in the amount for the O. P. A., and the remaining approximately \$3,000,000 represents items not considered by the House committee due to the fact that the Budget estimates were not transmitted until the bill reached the Senate.

The principal items comprising this \$3,000,000 are as follows:

Board of Investigation and Research Transportation-----	\$500,000
Department of State—emergency expenses-----	1,643,000
Department of Justice—War Effort Unit-----	125,000
Bureau of Mines—reduction of zinc concentrates to metal by use of methane gas-----	350,000
Petroleum Conservation Division—Extension of Hot Oil Act—new law-----	232,000

Following the disposition of the conference report we shall take up separately the amendments in disagreement.

Mr. Speaker, I now yield 15 minutes to the gentleman from New York [Mr. TABER].

Mr. TABER. Mr. Speaker, this conference report comes to you with an absolute agreement on the different items in the bill, with the exception of the Price Administration item, where an increase is granted from \$75,000,000 to \$120,000,000. In view of the fact that there are so many items relating to national defense in the bill, although I cannot agree with the item with reference to the Price Administration and believe it to be in the interest of failure for the Price Administration, I shall not ask for a roll call upon the conference report.

It is about time that the issues with reference to the Price Administration and its operations were brought before the people so that they could see just what the situation is. Mr. Henderson came before the House Appropriations Committee on June 11 to support a Budget estimate of \$161,000,000, involving, amongst other things, 2,756 lawyers, 1,804 so-called business specialists, and 644 so-called economists.

This proposed set-up was perfectly ridiculous. An examination of the roll of the higher-paid employees disclosed many of the derelicts who have for a long time been on the W. P. A. administrative roll as alleged economists, writers, or other types of political promoters. These derelicts, together with a very loose administration, have made a mess out of the rationing problem and the price-fixing problem. I am going to give two or three illustrations.

SUGAR

Sugar was rationed, effective April 20. The people in charge very evidently had no knowledge of the habits of the American people. Their operations show that they were incompetent. They did not know that the bulk of the people in the farming districts, in the small towns, in the smaller cities, and that a very large percentage of them in the large cities, obtained a very considerable portion of

their living during the winter season out of the use of fruits canned at home. At the time the ration was applied there was a storage, according to my information, of 1,500,000 tons of sugar, or practically 3 months' normal supply, averaging 24 pounds per person in the United States. There was coming into this country and being supplied by our own production, according to an announcement made by the O. P. A. on July 11, between 450,000 and 500,000 tons per month. The consumption of sugar, according to the O. P. A., was running approximately 475,000 tons. This sugar was rationed at the rate of 2 pounds per person, with 7 pounds available.

On May 12, Mr. Henderson was examined before the House Appropriations Committee and was thoroughly advised of the situation that had been created by his rationing operation and the necessity for a cushion to supply the sugar necessary for canning, which appears in the examination of Mr. Henderson on pages 69 to 72 of the hearings upon the first supplemental national defense appropriations bill for 1943. Notwithstanding this was called to Mr. Henderson's attention on May 12, no cushion was supplied for canning until May 25. Mr. Henderson's delay of two vital weeks was fatal to the canning program.

As a result of the incompetence of the sugar rationing outfit, the cherry and berry crops in the far South and in lesser degree all the way to the Canadian border were spoiled or were dumped upon the canners in such a way that they could not be used advantageously. Canners' costs, as a result of this incompetence of the O. P. A., went up, and it was found necessary by Mr. Henderson to increase the price of fruits canned by the commercial canners 15 percent. So that Mr. Henderson might cover up the incompetence of his operation, he asked Congress to subsidize the 15-percent increase in the price allowed commercial canners, and when Congress refused, Mr. Henderson was obliged to raise the price 15 percent to the public. This contribution of Mr. Henderson to raising prices and to inflation must be acknowledged. It was the result of his employment of these derelicts and incompetents in his own office who did not know enough about the situation in this country to pass intelligent judgment upon it. It is clearly a case of "too little and too late"—too small minds for the job.

On top of Mr. Henderson's operations, the situation was further complicated by different announcements from the Agriculture Department. On June 11, the Agriculture Department reported the supply the lowest in years, that the usual consumption was 6,700,000 tons. This appeared in the Washington Post of June 12. Before that, on June 11, a statement appeared in the Washington Post, on page 1, indicating that the sugar stocks were about normal. In other words, no one has been able to tell anything about it and make a definite, positive statement that could be believed.

RENT CONTROL

Mr. Henderson submitted, with his budget estimate, a break-down calling for \$13,099,008 for the rent control bill.

He placed it in charge of a man by the name of Paul Porter, a young man with no practical experience in the field and none in private practice, who had spent all his working life as an employee of the A. A. A. and who had no grasp of the renting situation whatever. Mr. Porter has gone through the country setting up these rent boards without the slightest recognition of their experience and without attempting in any way to get people who understood the local problems and whose experience permitted them to pass a fair judgment upon the job. The result has been interminable delays and an impossible situation, calling for the expenditure of large sums of money unnecessarily out of the Treasury.

GASOLINE RATIONING

The whole of the eastern seaboard was rationed, effective May 15. Personally, I do not think there is any doubt of the necessity of the rationing. First, there was announced a boundary line, beginning at the north with the State line between New York and Pennsylvania and following through the western line of Pennsylvania, West Virginia, Virginia, and on down through to the Gulf. Later and before May 15, a change was made making the ration territory the eastern line of my district, the eastern line of Congressman Cole's district in New York, and going down into Pennsylvania, New Jersey, and Virginia, dividing some districts and exempting others from the quota. There was no cushioned region between the nonrationed territory and the rationed territory, as there might very readily have been.

This has created very great embarrassment in all of the rationed territory and has made it very difficult to follow through, and has indicated a lack of clear grasp of the local situations in providing for these rations.

TIRE RATIONING

Mr. Henderson estimated that a total expenditure of \$9,844,260 was necessary for this. In one State, where the tire rationing board had two tires to ration, a clerk was crowded on by the board at about \$1,200 per year, indicating an effort on the part of the Price Administration to find some way to use the \$161,000,000 for which they asked. Here we are—a \$1,200 clerk to handle the rationing of two tires valued at less than \$40. This is Mr. Henderson's bid for our confidence in the administration that he is operating.

AUTOMOBILES

Automobiles have been rationed. The result has been that thousands and thousands of automobiles are in the hands of the dealers who are unable to get rid of them. The Government very evidently does not want them. The dealers are being forced to keep them, store them; and the only way that they can get rid of them is on a basis of from one to two a month, which for many of the dealers means 15 to 20 months operating a business at an enormous loss, and for many of them it means bankruptcy. Notwithstanding the fact that this has been called repeatedly to Mr. Henderson's attention, there has been no relief for the dealers. Mr. Henderson wanted over

\$4,000,000 for this particular job. How that could be used and spent efficiently is way beyond my understanding.

For my own part, I have long appreciated the importance of avoiding inflation. I could not vote for the so-called price-fixing bill when it was before the House, because it was not a price-fixing bill—it was just a fraud. It did not control, or vest the control in anyone, of the prices of farm products or wages, two of the essential elements in our price structure, without the control of which no price control could be successful. The only thing that could be done in the line of controlling prices, with the bill that was passed, is to bankrupt the retailers, manufacturers who are covered and, in a good many cases, the landlords.

For my own part, I do not like this way of operating. I would like to see the rationing operation and the price-fixing operation a success. I would like to see the administration forces come in here with legislation designed to cover every article, every commodity, every element that goes into prices, so that the interests of our country might be protected. I want to call attention to this—that Mr. Henderson, in his estimates for money, called for absolutely ridiculous set-ups. He has an absolutely incompetent force; and he, himself, I believe, is totally incompetent. He believes in the crack-down policy of the N. R. A., rather than an appeal for patriotic cooperation.

Unless he cleans up his administrative set-up and puts people in who are competent to do the work, his Administration is foredoomed to failure. The only possible way that this Congress has of forcing Mr. Henderson to do something to clean up this situation is by holding down his appropriations. We can only hope that he will realize the necessity of doing this.

I am appealing to the President, to the majority in this House, and to Mr. Henderson to force a clean-up of his administrative picture, force the employment of competent people with knowledge of the situation, force the cutting down of the ridiculous and foolish waste of the people's money. If he will do this, he can be assured of the support of his program. He can be assured of all the funds he really needs to do a decent job. Just so long as he fails to try to do a decent job instead of trying to provide jobs for derelicts, the result of his operations is going to be a failure. I am saying this with the utmost sincerity and with a greater appreciation of what the problem is than Mr. Henderson has so far demonstrated. I hope that Mr. Henderson will begin to try to do a decent job if he is going to continue as Price Administrator. I hope that the administration will show character and courage enough to ask for a real price-fixing bill and not a fake.

Mr. CRAWFORD. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Michigan.

Mr. CRAWFORD. I join with the gentleman from New York in challenging the administration to send to the Congress a program for its adoption that will enable the Administrator to do the job. I am in favor of that kind of a program, and in the absence of that kind of a pro-

gram I have felt that I would not be keeping faith with the people of this country in granting to Mr. Henderson the powers which were given to him and at the same time not going further; in other words, we have given all these powers to him without requiring that fair consideration be given to the people of this country in return for the things we gave to him. Let the President send us a message stating very specifically whether or not the President will go along with the Congress, the people, and Mr. Henderson. Until the President changes his course, I see little chance for the Congress to accomplish what the people expect of it and Mr. Henderson. If the President will not go along to the full extent necessary, these appropriations to Mr. Henderson will be disappointing. So let the President make the next move and let us get along with the big job.

Mr. TABER. The gentleman has made a fine statement.

[Here the gavel fell.]

Mr. CANNON of Missouri. Mr. Speaker, I yield 5 minutes to the gentleman from Missouri [Mr. COCHRAN].

Mr. COCHRAN. Mr. Speaker, I am pleased that the conferees who signed the report brought it back with \$120,000,000 for the Office of Price Administration rather than the \$75,000,000 the bill carried when it passed the House. I would have been more pleased if they had brought back the Senate amendment entirely, \$125,000,000, and I would have been highly pleased if the Congress of the United States had given the President of the United States the \$161,000,000 he asked for, which he said was needed for this agency.

It seems to be very popular to attack the Price Administrator. I am not going to talk about him, but am talking about the Office and its importance. In my opinion, this Office is fighting the most important battle on the home front. All of us claim to be soldiers on the home front. I think it is our duty as soldiers on the home front to do everything we can to help the Office of Price Administration, so that we can make sure that we shall not be destroyed by inflation. If the failure to appropriate sufficient money for the Office of Price Administration does result in inflation, I do not want to have the responsibility on my back. I want the RECORD to show my position.

I think I know a little bit about what inflation means, and I am sure from what he has said that the gentleman from New York [Mr. TABER], who just preceded me, knows what it means. But do not forget that nothing we have will be of the same value if we have inflation, and that includes the Defense bonds and stamps we are pleading with the people of this country to buy to help finance this war.

We do not need to think that we are the only ones buying Defense bonds and stamps. Our soldiers and sailors are buying them. I told this House not long ago that Lt. Comdr. Edward O'Hare, that young fellow from my district who made such a wonderful record in the Far East, destroying six Jap planes in one fight, bought \$10,000 worth of the bonds. He is back in the Far East again after coming

here and receiving the Congressional Medal of Honor from the President. He is now fighting to save this country, and I believe we soldiers at home should do some fighting ourselves to try to protect what he has.

In order to make this fight against inflation we at home are going to be required to make many sacrifices. What do they amount to in comparison with the sacrifices those in the armed forces are making? I look for many orders in the future that will be absolutely necessary, but the people of this country will heartily respond when they know they are necessary.

We set up the Price Control Act. We have given the President every war power asked for and it is my opinion the power is vested in the executive branch of the Government now to regulate from any standpoint desired now.

We cannot ask the men in the armed forces to stand up and be shot at while we are not willing to be shot at a little bit ourselves.

The gentleman from New York [Mr. TABER] talked about the rationing program. The gentleman should know, as I know, that the Office of Price Administration is not a policy-making body. It was not the Office of Price Administration nor the Administrator that provided for sugar rationing in the first instance, nor for any other rationing program including rubber, gasoline, automobiles, and so forth.

Mr. TABER. Who did?

Mr. COCHRAN. It was the War Production Board. Go and look it up. I read the part of the hearings before the House committee and also read part of what was said in the Senate committee. Mr. Henderson was before the Senate committee for several days, and also the House committee.

Mr. TABER. The gentleman is mistaken. Mr. Henderson did do that job.

Mr. COCHRAN. All right, I shall look it up and if I am mistaken I will correct my statement that Mr. Henderson did not inaugurate sugar rationing and other rationing programs. It is my information it came through the War Production Board. I have contacted the proper authorities and find my statement relative as to who inaugurates the rationing programs is absolutely correct.

Mr. TABER. I think the gentleman is mistaken. Mr. Henderson was before our committee and talked absolutely as if he had full charge of it.

Mr. BULWINKLE. Mr. Speaker, will the gentleman yield?

Mr. COCHRAN. I yield to the gentleman from North Carolina.

Mr. BULWINKLE. The situation is that the War Production Board, consisting of Donald Nelson, the Secretary of War, the Secretary of the Navy, Mr. Henderson, and one or two others, including the Vice President, are on this War Production Board, and they say whether anything shall be rationed or not. It is then up to Mr. Henderson to carry the program out after he gets the orders.

Mr. COCHRAN. That is absolutely the situation as I understand it and that is what I thought all the time. Mr.

Henderson follows out the instructions of the board that issues the orders. He works out the way to do what the Board tells him to do and he could not if he desired start rationing any commodity until he is ordered to do so.

This appropriation for the Office of Price Administration is a national defense appropriation and those who are supporting such agencies should remember that when voting.

Everyone is going to get hurt, during this emergency. We must make up our minds that we cannot have our pet ideas adopted nor can we in the legislative branch run the executive branch as some would like to. Undoubtedly mistakes will be made and when they are, criticism will follow.

In war, continually bear in mind somebody has to lead and make decisions. Certainly adjustments will be made when a proper showing is made. We are responsible for the Price Control Act. Having voted for the act I want to do everything I can to assist in seeing that it is properly administered. I hope if the \$120,000,000 for the Office of Price Administration is not sufficient the President will not hesitate to ask for additional money, as I do not want to see this act broken down solely because sufficient money has not been appropriated to enforce it.

[Here the gavel fell.]

(Mr. COCHRAN asked and was given permission to revise and extend his remarks in the RECORD.)

Mr. CANNON of Missouri. Mr. Speaker, I yield such time as he may desire to the gentleman from New York [Mr. WILLIAM T. PFEIFFER].

Mr. WILLIAM T. PFEIFFER. Mr. Speaker, as the Members of the House are well aware, ever since coming to Congress last year as the Representative of the Sixteenth New York Congressional District, I have been fighting with all my vigor to curb the lavish spending of the people's money on nonessential Government projects and activities. On many occasions I have stood here in the well of the House and given you the facts and figures concerning the spending of untold millions of dollars paid into the United States Treasury by our taxpayers on projects that are as useless and inane as digging a hole in the ground and immediately filling it up again. Projects that would be unjustified by any real need even in the sunny and bountiful days of peace, but which are scandalous and outrageous in these days of grim and total warfare when the very fate of our Nation hangs in the balance, and when every ounce of our energy and every dollar of our resources must be devoted to the primary task of winning a smashing and decisive victory over our brutal and savage enemies. You may be sure that what I shall say to you this afternoon, in connection with the bill before us providing funds for the enforcement of price control regulations by the Office of Price Administration, does not betoken an abandonment of my stand as a consistent and unyielding advocate of sanity in Government spending and of the principle that the taxpayers are entitled to receive full value for their hard-

earned tax dollars. On the contrary, my fight against the evil of reckless and useless Government spending will continue to be waged without stint.

However, I have always maintained that false economy is as great a vice as true economy is a virtue. In my judgment, it is false economy to deny sufficient funds to O. P. A. to adequately enforce the price-control regulations, which appear to be our only bulwark against ruinous inflation. Of course, rationing, restrictive price regulations, and wartime regimentation are bitter pills for every American citizen to swallow, but we must steel ourselves to that necessity in furtherance of the paramount aim of winning this war for the survival of decency and right principles. It would be "penny wise and pound foolish" to hamstring the O. P. A. by failing to appropriate sufficient funds for the adequate administration of the price-control regulations. Half measures will be worse than no measures at all, and it seems to me that we can well afford to spend during this fiscal year the \$140,000,000 which has been fixed by Director Leon Henderson as the minimum budget for O. P. A. if, by so doing, we can avoid the havoc which would be wrought to our domestic economy by unbridled inflation. Indeed, if the opportunity were present, I would gladly support and vote for the recommendation of President Roosevelt that the sum of \$161,000,000 be appropriated for the performing of the vital functions of the Office of Price Administration. In my judgment, Mr. Henderson has thus far proven himself to be an able and fearless Administrator. I salute and applaud him for his vigorous and successful fight against the proposed Senate amendment which would have required confirmation by the Senate of the appointment of all members of his staff receiving salaries in excess of \$4,500 per year, which would have gone far toward making the whole price-control system a political football in this time of crisis when politics and political advantage should be relegated to the scrap heap. It is well to remember that Mr. Henderson has been given the most difficult and most unpopular job in the country. The Congress must not place a halter and handcuffs on him and, on the contrary, we should be doing everything within our power to cheer him on and smooth the road for him.

I am as keenly aware as any Member of the Congress of the dangers inherent investing in Mr. Henderson or any other individual these vast and autocratic powers over the economic life of our country. I shudder at the thought of some of the inevitable consequences and of the great hardships which will necessarily be imposed on every businessman engaged in the retail trade. Yet that is a lesser evil compared to the blight and ruination which would be visited on our 130,000,000 citizens by runaway prices on food, clothing, and other necessities of life. I am in entire sympathy with the feelings of those of my colleagues who are apprehensive that Mr. Henderson will use this money in the building of a great army of snoopers and crack-down artists who will travel around the

country and pry into the affairs of every private business establishment and impose drastic penalties on our citizens for minor violations of the price-control regulations. I fear that unless Mr. Henderson and his staff follow the tactics of common sense and the policy of give and take, the ill-fated Blue Eagle of the doleful N. R. A. period, vicious as was that bird, will seem like a timid little canary compared to the O. P. A. bird. Yet, with a full realization of these dire possibilities, I again say that they are overshadowed by the vital necessity of maintaining the O. P. A. price ceilings intact. However, I appeal to our President and our Price Administrator to leave no stone unturned to enlist the voluntary and wholehearted cooperation of all our citizens in making the price regulations fully effective and workable. The enthusiastic and patriotic effort of one volunteer worker will be worth far more than the efforts of 10 paid snoopers. Would it not be well for us to study and apply the lessons of the first World War? During 1917-18 President Wilson called for and received the hearty cooperation of the American people in conserving vital commodities and in holding prices at reasonable levels—and all of this was done without resort to compulsion through a Government agency such as O. P. A. During that period of great crisis we had our gasless Sundays, meatless Tuesdays, and other measures designed to use our resources sparingly and to the best possible advantage. In my judgment, the O. P. A. price regulations may be better and more fairly enforced through the voluntary cooperation of our citizens, supplemented by a few thousand well chosen and well-trained enforcement agents, than by having the lash of the enforcement whip cracked over the heads of our people by a vast army of salaried enforcers. Best of all, this procedure would be in accordance with our traditions and the American way of doing things.

Policeman, policeman, don't shoot me—
Shoot that man behind that tree.

A menace to effective price regulation even greater than inadequate operating funds, and one which threatens to torpedo and scuttle the good ship price control in the sea of inflation is the shameful persistence of the farm bloc in Congress, come fair weather or foul, to press its demands for special price benefits and subsidies for the farmers, despite the fact that agricultural prices have risen further and faster than those of any other group since the outbreak of the war, thereby bringing the farmer the most abundant prosperity that he has enjoyed in 20 years. To get a true picture of the situation, let us look back briefly to the dark days of the early nineteen hundred and thirties, when, as a result of the Nation-wide economic depression, the prices of farm products fell so low as to hardly cover the cost of harvesting. The Congress then rightfully and properly came to the relief of the farmers by enacting legislation designed to rescue the farmer and to prevent our whole farm structure from going on the financial rocks. Various forms of loans and sub-

sidies were granted the farmer, as a result of which the primary aim of raising the prices of farm products to fair and reasonable levels was achieved. However, that which was conceived and put into execution as a purely emergency measure has become a permanent barnacle on our economic system and in many respects has degenerated into an inglorious racket, the total cost of which to the American taxpayers in the past 10 years has been in excess of \$11,000,000,000. As evidence of the fact that the appetite of the farm bloc has been whetted instead of satisfied by these lavish cash benefits and subsidies is the fact that the Congress appropriated to agriculture last year the tremendous sum of \$1,100,000,000, despite the fact that the farmers were riding the high wave of prosperity. Out of the welter of farm-benefit legislation there emerged the principle of parity price. In arriving at an understanding of this mystical phrase it is well to reduce to common everyday language the definition thereof as contained in the Agricultural Adjustment Act of 1938.

First, the whole history of American farming was scanned. From the 140 years of that history there was selected a period in which the prices of farm crops had been most remunerative. That period was found to be from 1909 to 1914. This golden age of agriculture was then called the "base period," and it was ordained that the farmers should thenceforth get for their products the same prices, in terms of purchasing power, as they received in 1909-14. In other words, a bushel of wheat or other grain must in the future always buy the same quantity of goods as it bought in the base period. If in 1909-14 the price of wheat was \$1 a bushel, and if in the same period the price of a hat was \$1, then one bushel of wheat would buy a hat. However, if later on the price of a hat went up to \$1.50, then the price of wheat must go up to \$1.50. This is what is known as parity prices. The same formula applies to household goods, automobiles, farm implements, and everything else a farmer buys. Parenthetically, I wish to point out that if, as in the case of farmers, every trade and profession in the country, from barbers to bankers, could look over the history of the country and choose the period in which their occupations had been most remunerative, and then decree that their average incomes during those golden eras should be the yardsticks for measuring the present and continuing value of their goods, products, and services, that would be an economic Utopia—but the fly in the ointment would be that our dollar bills would soon be inflated to the size of saddle blankets.

During the past few weeks the country has witnessed with alarm and high indignation an assault by the farm bloc, acting in the interest of selfish regionalism, on the whole price-control structure. This attack has been in the form of obstructive amendments and parliamentary jockeying with respect to the legislation now before us, and other legislation dealing with the machinery of price control, and kindred subjects.

The gentlemen of the farm bloc, in their zealous effort to exempt the farmers from the rule of equality of sacrifice enunciated by our President in his message to the Congress and the country on April 27, 1942, have gone so far as to urge that no ceilings shall be placed on the prices of farm products, nor on articles processed from such products, which would tend to lower the prices of farm products below the scandalously high figure of 110 percent of parity price. A striking example of the mercenary activities and the insatiable appetite of the farm bloc for special benefits is the bill which has been passed by the Senate and sent over to the House which provides for loans up to 100 percent of parity on the country's six major crops. If this unwise measure is enacted into law, it would operate not only to raise the price of these crops by 15 percent but to put price floors under them at these levels. The preposterous nature of this subsidy is illustrated by the fact that it would allow the farmer to dispose of his wheat to the Government at the prevailing parity price of \$1.34 a bushel and then buy it back for livestock-feeding purposes for 83 cents per bushel, pursuant to the legislation enacted last week which permits the Government to sell wheat owned by the Government at below parity prices.

Some of you may be asking yourselves the question, "Why is BILL PHEIFFER, who represents a district comprising the middle east side of Manhattan in the great city of New York, where not a bushel of wheat, an ear of corn, or a stalk of cotton is grown, so concerned over ceilings on farm prices?" The answer is obvious. The bread eaten by the people of my district is a product of the wheat fields; the meat on the tables of my constituents comes from the livestock raised on the farms and ranches of our country. The clothing and countless other everyday commodities used and consumed by my constituents are processed from farm products. The price ceilings on all of these necessities would automatically have to be raised to dizzy new heights in the event farm products are exempted from price ceilings below 110 percent of parity. No more than business, labor, or any other economic group are the farmers entitled to exploit this grave national emergency for their own advantage at the expense of the rest of the country.

The gentlemen of the farm bloc appear to be willing for every segment of our population except the farmers to sacrifice to the limit to win the war. Their attitude may be summed up by the old saying: Policeman, policeman, don't shoot me; shoot that man behind that tree." However, I stake my honor on the assertion that this attitude does not represent the true sentiments of the rank and file of our farmers and livestock raisers. I speak advisedly and without presumption on this score, because I was born and reared in the farm and ranch country. During the time I was earning a living as a young lawyer in the Panhandle of Texas most of my clients were farmers and ranchers. Hence, I speak with the utmost assur-

ance in saying that the average farmer and rancher is as fine and patriotic an American as can be found anywhere, and that he will unhesitatingly subscribe to the thesis that every citizen of our country must take a hitch in his belt and carry his portion of the load and share in that mutuality of sacrifice which must be the order of the day in these times of trial and crisis. I am confident that the vast majority of our citizens on the farms and ranches are not seeking the favored treatment which is being sought for them.

Mr. Speaker, let there be a plague on politics, on red tape, and on quibbling. Let us turn a deaf ear and a cold shoulder to the special pressure groups and their selfish and unpatriotic demands. Let us win the war against price inflation in the same positive way in which we will win the war against the Axis Powers. In brief, let us all put our shoulders to the wheel and get the job done without pause or hindrance.

(Mr. WILLIAM T. PHEIFFER asked and was given permission to revise and extend his own remarks in the Record.)

Mr. CANNON of Missouri. Mr. Speaker, I yield 2 minutes to the gentleman from New York [Mr. CELLER].

ALL-OUT AID TO LEON HENDERSON

Mr. CELLER. I am firm in the conviction that those who might vote against Leon Henderson personally in their consideration of appropriations for his Department are just kicking the Nation in the slats.

Leon Henderson has done a good job. No one could have done better. His task is beset with well-nigh insurmountable difficulties. In every battle he has had he has emerged victorious. He will win the present battle because the Nation is with him. He is wrestling with a Hydra-headed monster—inflation.

Despite his mistakes, I, for one, want to give him every help possible.

I disagree with the gentleman from New York [Mr. TABER]. Henderson is a man of rare ability and a splendid administrator.

There were two distinct inflation tragedies in our country—the first after the American Revolution, when currency issued by our Continental Congress was “not worth a continental”; the second after the Civil War, 1865–75, when a greenback was not worth the powder to blow it to hell. Greenback currency became so devalued that merchants quoted two prices—one based on gold, the other on the almost worthless “greenbacks.”

Unless we now have effective price ceilings on our food, clothing, services, and shelters, we shall again have a spiral of tornado-like inflation and a phrase will be added to our inflation vocabulary—“not worth a dollar.”

Leon Henderson is striving earnestly and effectively to prevent the use of the phrase “not worth a dollar.” Those who would put a bromstick between his legs render a disservice to the Nation.

Through all the mystic maze of argument and discussion and through all the fog that has been developed the following stands out clearly in my mind:

First. Selfish pressure groups like the American Farm Bureau Federation are trying to widen the already existing holes in the bark that Henderson is trying to steer over the shoals of inflation.

No group, no matter who they may be, should be permitted to use any veto power over ceilings that may be set by Henderson on the prices of processed or finished agricultural products, on rentals, and on certain types of services.

Second. In many instances in the O. P. A. difficulties will arise. It will make many mistakes, wittingly and unwittingly. In applying rigid rules inequities will develop. Causes and factors beyond O. P. A. control will make for maladjustments. Cases have already arisen where ceilings fixed on March prices have caused much hardship. As far as possible these derangements and injustices must be removed. It might be well to set up tribunals—within the O. P. A.—composed of fair-minded men, including some business executives in all large cities and industrial areas. These tribunals would pass upon and straighten out and adjust these difficulties and injustices. It is impossible without hardship to stretch an entire industry across a procrustean bed. There must be exceptions to all rules, to all ceilings. The danger is to prevent abuses in granting exceptions. A man like Henderson can minimize these abuses.

The setting up of these tribunals would cost a vast sum of money. It would involve additional appointments, additional office expense. That would mean additional appropriations. The good resulting would justify the added expense.

Third. It is nonsense to require all officials or employees receiving \$4,500 or more to be confirmed by the Senate. The O. P. A. should not be deemed a political reservoir into which Members of the House or Senate can dip at will. The test of the efficiency of the O. P. A. is not the number of jobs obtainable, but the great good that can be done for the American people. Henderson, of course, has made mistakes in this regard. In the beginning he may have thumbed his nose at Congress too frequently. That type of bravado never pays. He had his picture taken riding on a bicycle on which was a wide basket attached to the front and in which he was conveying some bundles. He wished to show the Nation—so columnists and cartoonists implied—he did not need an X card. This type of publicity does not sit well on the stomachs of Congress and rightly so. All Congressmen are entitled to have X cards. This was ill-advised publicity at the expense of the Members. But why worry and belabor Henderson for such an indiscretion when the Nation is in peril, when inflation lurks around the corner, when we are on the eve of being compelled to buy a cup of coffee for 1,000,000 marks? I am happy to know that all attempts to limit Henderson's appointing powers finally failed.

I am sure Henderson ought to and will give consideration to the names that may be submitted by Senators and Representatives for appointment in their respective States. He should give some heed to the suggestions of the Members, and

I am sure he will. But Members should not be too insistent, too demanding in this regard.

Fourth. We must disregard any amendments or changes to the present bill offered by the American Farm Bureau Federation which seeks to remove the ceilings over prices of all foods and most clothing, and on many industrial and military items, all of which are derived wholly or in part from agricultural products. If such amendments prevail, the general over-all maximum price and ceiling regulation agency would be destroyed. The bark of O. P. A. would founder on inflation shoals. To say a product wholly or in part derived from a farm could not be regulated in sale by the O. P. A. unless the farmer received for his product in the article 110 percent of parity is just damnably asinine. Such a proposal would make confusion worse—confounded. It would involve all items of food and all lines of wearing apparel. The tabulation and research that would be necessary to determine whether an article was wholly or in part derived from a farm and whether the farmer was getting 110 percent on the article hailing from the farm would be a staggering proposal. It just could not be done because scores of hundreds of items would have to be considered and thousands of research experts and accountants would have to be employed for such a Gargantuan task. Almost every item that we wear and eat, let alone items in our household made of leather or of different types of fabrics, would have to be so treated and considered.

I am happy to know the 110-percent business was stricken from the measure.

Fifth. I am firm in the conviction it is essential to give Henderson the right to pay subsidies. Both Canada and England have paid subsidies in cases where the retailers faced ruin. Thus the added costs were not shoved back on the backs of the consumers. In Canada, the amount of subsidies has not been very large, but Canada's population is insignificant in comparison to our own. In Britain, during 2 years of price control, over \$2,000,000,000 had been paid in subsidies. Britain regarded that money well spent since the money has saved the consuming public many billion dollars more. That expenditure has avoided a far more costly general increase in prices. It has prevented inflation. I regret the present conference report embodies the Senate prohibition against subsidies, indirectly and directly.

Price control in this country, faulty as it is, has already saved the Nation \$6,000,000,000 on war expenditures. In one instance, I am reliably informed, there was a sale of 15,000,000 yards of plain and cut fabrics and as a result of the intervention of O. P. A. the public saved \$600,000. I could cite scores of other examples of savings to the public brought about by the vigilance of the O. P. A. If the ceilings go on for another 20 months, says Leon Henderson, the United States will pay \$62,000,000,000 less for its war than it would if prices rose as they did in the World War I. I believe Henderson is not exaggerating.

The idea of subsidies is not easy to swallow. It is contrary to the American system. Before the war is over we will have to swallow many ideas contrary to the American system. Farmers want to be subsidized. When, therefore, the American Farm Bureau Federation demands 110-percent parity it puts the imprimatur of approval on subsidies. The idea of subsidies in connection with price control is to make the Government absorb unusual costs for eventual payment by taxpayers in order to avoid ceiling punctures. At the present time the added charges for carrying sugar to the east by rail are being absorbed by the Government. We are not squawking about those added expenses to the Government. That is really a sugar subsidy. The added cost for shipping southern coal by rail instead of water is passed on to the Government. We are not squawking on that score. The idea of subsidies must and will spread. It cannot be confined to extraordinary emergencies like coal, sugar, oil, and so forth. It will and should be a common occurrence in this titanic struggle against inflation.

Subsidies are cheaper in the end. Even farm officials say that a \$200,000,000 subsidy for feedstuffs can take the place of a \$1,000,000,000 rise in food costs.

What about losses caused by the torpedoing of ships? They must be paid by someone. Subsidies in that case must be invoked. Such subsidies permit the unusual costs developed by higher transportation costs forced by ship losses to be spread over the whole country rather than borne by a segment of the country. There will be great abuses if we have subsidies. That cannot be helped. Selfish interests will endeavor to get more than they are entitled to. Careful scrutiny, honest administration, and hard work will prevent these abuses and will properly brand persons who are endeavoring to defraud the Government as traducers and thieves. As originally passed by Congress, the Price Control Act, I believe, gives power to O. P. A. to use subsidies to keep the cost of living low. The O. P. A. through the R. F. C. has in a limited degree used this authority. That authority should remain. I am sorry the conferees did not see eye for eye with me on that score.

Sixth. I believe we should be liberal and not niggardly in our appropriations to the O. P. A. The House voted seventy-five millions to the O. P. A.; the Senate one hundred and twenty-five millions. The conference report compromises at one hundred and twenty millions. That figure is much lower than the sum asked by Henderson. Such reduced appropriations may mean that numerous district offices and rationing programs and rent-control boards will have to be cut down. A veritable army of volunteers will have to be recruited. Jobs cannot as efficiently be done by volunteers as by paid workers. Some types of work can be done by volunteers, but the hard and important work must be done by workers actually paid for services. Wholesale and widespread use of volunteers would cripple and not strengthen the services rendered by O. P. A. Much important infor-

mation held by the O. P. A. could be improperly used and circulated by volunteers. The seal of secrecy would not be kept by volunteers. Paid inspectors under strict disciplinary control would not dare use carelessly the business secrets and information that would come to them by their inspection. Other paid employees of the O. P. A. under strict control would not dare reveal confidential information obtained in the prosecution of their tasks. Volunteers, on the other hand, would be more likely to deal more lightly with business or trade secrets.

Recently I stepped into the office of the O. P. A. which occupies space in the building wherein I have my New York office, 1450 Broadway. There were thousands of persons lined up endeavoring to get rationing cards of one sort or another. There was feverish activity but not the slightest disorganization. I was amazed at the dispatch with which the wants of the civilians were satisfied. There are hundreds of women and men, mostly volunteers, who are rendering yeoman service in that O. P. A. office. I spoke to two splendid gentlemen, Joseph Kraler and Louis Maier, officials in charge of the office, and they told me of days and nights of strenuous effort on the part of their staff and themselves. Working 18 and 19 hours a day is a common occurrence for them. I was informed that most of the men in the office had left lucrative jobs to do what they deemed a patriotic service with the O. P. A. at salaries that might be deemed a mere pittance in comparison with what they had theretofore obtained in their own lines of endeavor. Many other business and professional men and women had forsaken their own fields and sacrificed considerable profit to come to the office of the O. P. A. at 1450 Broadway and work slavishly with no hope of reward except the knowledge that they were rendering a patriotic service to their country.

A word of praise is due to Sylvan Joseph, New York head of O. P. A., and to Lee Buckingham, in charge of New York rationing. Finally the personnel and staffs of these gentlemen are entitled likewise to unstinted appreciation.

Mr. CANNON of Missouri. Mr. Speaker, I yield now to the gentleman from Indiana [Mr. LUDLOW].

Mr. LUDLOW. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD at this point.

The SPEAKER. Is there objection?

There was no objection.

Mr. LUDLOW. Mr. Speaker, no one, I believe, has a more wholesome fear of our expanding bureaucracy than I have, but I have an even greater dread of run-away inflation.

Leon Henderson is the general in chief of our forces on the home front which are engaged in the war on rising prices, and I am not sure that this campaign on the economic front at home is not as important as the campaign on the far flung battle fronts around the world. I am in favor of giving Mr. Henderson an appropriation that will implement his activity and enable him to discharge his responsibility without the waste of a single dollar or the employment of one unnecessary person. I am supporting this conference

agreement, which fixes his appropriation at \$120,000,000.

This amount is \$90,000,000 below the sum Mr. Henderson requested of the Budget Bureau and it is \$41,000,000 below the Budget estimate.

An organization was tentatively set up by Mr. Henderson, based on the Budget estimate of \$161,000,000. On the basis of the appropriation agreed to in this conference report it will be necessary entirely to revise that organization downward by cutting personnel and other obligations drastically.

The cuts which it has been found necessary to make below the tentative organization proposed under the Budget estimate are as follows: The personnel set up for price control is cut by 1,600 positions, or \$4,000,000.

The organization to enforce rationing is cut by 4,000 positions, or \$10,000,000.

The rent-control section is reduced by 1,100 positions. The conference agreement necessitates the entire elimination of 100 rental areas where it had been intended to impose control of rents, and removes 34,000,000 people from rent control of any sort.

The conference report eliminates 1,250 positions in the administrative end of the Office of Price Administration, which would have been established under the Budget estimate. Twelve thousand clerical and stenographic positions which had been set up to service the rationing boards under the Budget estimate are likewise eliminated, and temporary help to the extent of 21,000 man-months is wiped out by the conference agreement, thus emphasizing the depth of the cut.

In addition, the reduction from the Budget estimate of \$161,000,000 for the Price Administration to \$120,000,000, the amount carried in this conference report requires a cut of \$9,000,000 in travel and other expenses of the Office of Price Administration.

Price control is a new activity in this country. No one knows what it will cost or how much personnel will be required to do the job. The best we can do is to fix an amount to start and then proceed by trial and error until we can get our bearings. I believe this appropriation is a reasonable beginning and that it can be granted without holding out too much temptation to bureaucracy to flower and bloom. The country expects Mr. Henderson to cut out the frills and furbelows and to hold down expenditures to the actual requirements necessary to give service. Any attempt to build up a bureaucracy for power's sake and to wield that power for any purpose not necessary to prevent inflation certainly would bring down upon the Price Administrator the wrath of the American people.

I do not believe that Mr. Henderson has any such purpose. I credit him with sincerity of intentions and I believe he will fully justify that appraisal. He is an able man, but no one would even accuse him of being a diplomat. Ninety percent of his trouble up to date has been due to his seeming inability to cooperate with Congress. He appears to be unable to realize that Members of Congress are pretty decent fellows who are the chosen

representatives of their people and entitled to be consulted on matters that vitally affect their home communities. But in spite of his apparent unwillingness to play ball with Congress in matters concerning which Congress rightfully ought to be consulted, the American people and their chosen representatives will stand by him and support him if he does a good job in the war on inflation, and I hope he will.

Mr. CANNON of Missouri. Mr. Speaker, I yield now to the gentleman from Ohio [Mr. THOM].

Mr. THOM. Mr. Speaker, during consideration of the request of the Office of Price Administration for funds to carry on its duties, I addressed a letter to the House Appropriations Committee expressing the hope that funds would be allowed to the Office of Price Administration to permit employment of clerks to expedite the issuance of sugar rationing coupons.

When the extra allowance of sugar for canning purposes was ordered, the rationing boards in Stark County, Ohio, were not able to command the services of enough volunteers, and as a result men and women were compelled to stand in line for hours before they reached the desk of the issuing officer. This was extreme hardship for women especially, and it wasted the time of many busy persons.

This irritating problem has now been solved, at least in my home community, by the action of the Canton Repository, a newspaper published in Canton, in printing in its newspaper the necessary application sugar form, and which form can be mailed after being executed to the rationing board. The necessary certificates are thereupon sent to the applicants by mail. This greatly speeds the operation, and saves the housewives and others hours of precious time, and unnecessary fatigue.

This system, in my opinion, ought to be applied in every city, where newspapers will cooperate.

Mr. CANNON of Missouri. Mr. Speaker, I yield now to the gentleman from Virginia [Mr. BLAND].

Mr. BLAND. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD at this point and include a letter from the Chairman of the Maritime Commission with reference to one of the items in this bill and exhibits therewith.

The SPEAKER. Is there objection?
There was no objection.

Mr. BLAND. Mr. Speaker, pursuant to unanimous consent granted to me today, I extend my remarks in the RECORD at this point on the subject of reduced war risk and transportation charges in cooperation with the price-control program and include therein a letter to me from the Administrator of the War Shipping Administration with certain exhibits therewith.

This letter from Admiral Land states the actions of the War Shipping Administration in fixing reduced rates on transportation in certain cases and in providing war risk insurance protection at nominal rates where otherwise normal transportation and insurance rates

would interfere with the maintenance of price ceilings fixed by the Office of Price Administration.

The absorption of extra costs of war risk insurance and other extraordinary wartime costs by the Government, I do not consider subsidies. In any event such absorption is fully authorized by law and in conformity with our policies. To call them subsidies confuses the issue. It is only the proper means of spreading on a national basis the wartime costs otherwise unfairly distributed as between individuals and industries. I believe the House should be fully advised as to the actions of the War Shipping Administration in the fight against inflation.

WAR SHIPPING ADMINISTRATION,
Washington, July 20, 1942.

Hon. S. O. BLAND,
Chairman, Committee on the Merchant
Marine and Fisheries,
House of Representatives.

DEAR JUDGE BLAND: During the course of the debate on the provisions of the First Supplemental National Defense Appropriation Act, 1943 (H. R. 7319), particularly the Senate amendment No. 15, relating to subsidy payments under the item, "Office of Price Administration," questions have been raised as to the extent of, and authority for, subsidies in connection with price control. The modified form of this proviso, as contained in the report of the conferees on the disagreeing amendments, makes it clear that the proviso would not operate as either a legislative prohibition or declaration against the use of other Government funds for direct or indirect subsidies in support of price control. Nevertheless, it seems desirable that Congress should have a full understanding of the situation in this respect so far as the actions of the War Shipping Administration are concerned.

In Public Law 523, Seventy-seventh Congress, approved April 11, 1942, Congress specifically authorized the War Shipping Administration to write war-risk insurance for both vessels and cargo "at nominal or other rate basis" where the Administrator finds "after consultation with the Office of Price Administration, or other agencies" that it would be of material benefit "to the domestic economy of the United States."

After the adoption of this law the War Shipping Administration requisitioned all seagoing vessels of the United States not theretofore requisitioned. This entire fleet is now being operated for the account of the United States Government through the War Shipping Administration. There is no requirement in any of the laws pursuant to which these vessels are being operated by the War Shipping Administration regarding the rates to be charged. From Public Law 523 it is clear that Congress intended that the views of the Office of Price Administration should be given full consideration by the War Shipping Administration in fixing rates where normal rate levels would interfere with the price ceilings fixed by that agency. Congress particularly seems to have recognized in that provision that the extra cost of war-risk insurance and other extraordinary wartime costs should be absorbed by the Government where individuals concerned could not absorb such costs and operate within the price limits fixed by that agency. In our rate practices we have been guided by this express indication of congressional intent as well as other pertinent considerations. This has been particularly true with respect to the rates charged for the shipment of coal and fuel oil.

The determinations of this agency have been reported to you, as chairman of the House Committee on the Merchant Marine and Fisheries; to Hon. JOSIAH W. BAILEY, chairman

of the Senate Committee on Commerce; and to the Budget Bureau. Our practice was also reported by me to the Senate Appropriations Committee at a hearing on the War Shipping Administration appropriation bill (H. R. 7319), and to the Honorable ALBEN W. BARKLEY, United States Senate, in connection with the Senate debate on the bill.

Our report to you and to Senator BAILEY, together with the 10 enclosures therein referred to, are transmitted to you herewith in order that Congress may be fully and completely informed as to the operations of this agency in assisting the Office of Price Administration in the maintenance of its price ceiling as a safeguard against inflation.

Sincerely yours,

E. S. LAND, Administrator.

JUNE 11, 1942.

The Honorable SCHUYLER OTIS BLAND,
Chairman, Committee on the
Merchant Marine and Fisheries,
House of Representatives.

MY DEAR CONGRESSMAN BLAND: The War Shipping Administration has cooperated with the Office of Price Administration in carrying out the governmental program against inflation by acceding to the requests of Mr. Leon Henderson, Price Administrator, that ocean freight rates for vessels operated for account of the Administration be reduced on coal from Hampton Roads to New York and New England points and on petroleum products between United States ports and from Caribbean ports to the United States; also that war-risk-insurance rates be reduced on such petroleum cargoes. This Administration has also limited the war surcharges otherwise applicable on ocean freight rates between the mainland and our island and Territorial possessions—namely, Puerto Rico, Virgin Islands, Hawaiian Islands, and Alaska.

I am enclosing herewith a memorandum regarding this matter together with copies of the exhibits referred to therein, which cover the correspondence exchanged between Mr. Henderson and myself, also copy of a memorandum dated March 26, 1942, outlining our policy with respect to this country's island and Territorial possessions.

I desire to call your particular attention to the third paragraph of my letter to Mr. Henderson of June 2 (exhibit I) wherein the thought was expressed that it might be desirable that all subsidies granted for the purpose of maintaining frozen price levels be centralized in one agency in order that the full costs thereof be readily available to the proper authorities. At present, these costs are assumed by several agencies, and, as in the case of the War Shipping Administration, are hidden. These hidden subsidies—for example, those resulting from the absorption of operating losses—will necessarily be reflected in the appropriations which the Congress will be requested to approve for this Administration.

A similar letter is being directed to Senator JOSIAH W. BAILEY, as chairman of the Senate Committee on Commerce, and to Mr. Harold D. Smith, Director of the Bureau of the Budget.

Sincerely,

E. S. LAND, Administrator.

Exhibit A. Letter dated May 8, 1942, from Dr. George W. Stocking, Assistant Administrator, Division of Fuels, Office of Price Administration, to Mr. D. F. Houlihan, Director of Fiscal Affairs, War Shipping Administration, also memorandum on coal and petroleum products referred to therein.

Exhibit B. Letter dated May 14, 1942, from Mr. Leon Henderson, Price Administrator, to Admiral E. S. Land, Administrator, relative to Atlantic coastwise coal trade.

Exhibit C. Letter dated May 14, 1942, from Mr. Henderson to Admiral Land, requesting

establishment of reduced rates for Atlantic coastwise coal trade.

Exhibit D. Letter dated May 16, 1942, from Admiral Land to Mr. Henderson agreeing to establishment of reduced coal rates.

Exhibit E. Letter dated May 18, 1942, from Mr. Henderson to Admiral Land requesting establishment of reduced rates on petroleum products.

Exhibit F. Letter dated May 19, 1942, from Admiral Land to Mr. Henderson agreeing to establishment of reduced rates on petroleum products.

Exhibit G. Letter dated June 2, 1942, from Mr. Henderson to Admiral Land requesting reduced rates on war-risk insurance on cargoes of petroleum products.

Exhibit H. Letter dated June 2, 1942, from Admiral Land to Mr. Henderson agreeing to request for reduced war-risk insurance rates on petroleum products.

Exhibit I. Letter dated June 2, 1942, from Admiral Land to Mr. Henderson setting forth position of the War Shipping Administration with respect to all of the foregoing and requesting statement of the program of the Office of Price Administration relative thereto.

Exhibit J. Memorandum dated March 26, 1942, outlining policy of War Shipping Administration with respect to time chartering of vessels and war surcharges on freight rates in our island and territorial possessions.

EXHIBIT A

OFFICE OF PRICE ADMINISTRATION,
Washington, D. C., May 8, 1942.

Mr. D. F. HOULIHAN,
Director of Fiscal Affairs,
War Shipping Administration,
Commerce Building,
Washington, D. C.

DEAR MR. HOULIHAN: I am sending you herewith by special messenger the memorandum on coal and oil which I promised you on yesterday.

After you have looked these over I shall be very glad to come to your office to discuss them. You will recall that it is our plan, after you have made such suggestions as you wish to make with reference to the memorandum, to send them to Mr. Clayton, of the Reconstruction Finance Corporation, and to arrange a conference among the three of us on Monday. Since the effective date of the price schedule makes it necessary that this matter be disposed of promptly, I assure you that I shall appreciate very greatly your cooperation in this matter.

Sincerely yours,

GEORGE W. STOCKING,
Assistant Administrator,
Division of Fuels.

[Enclosure.]

MAY 8, 1942.

MEMORANDUM

To: D. F. Houlihan, Director of Fiscal Affairs,
War Shipping Administration.
From: George W. Stocking.
Subject: Subsidies to cover increased cost of shipping petroleum and petroleum products.

In accordance with your suggestion, we are submitting herewith a program for meeting increased costs of transporting petroleum and petroleum products to points of consumption—chiefly the Atlantic coast area—occasioned by the enemy submarine campaign and allied war needs.

As you know, the maximum prices for petroleum products have been established by revised price schedule No. 88, as amended, at approximately the levels prevailing in the period October 1 to 15. In general, these prices do not permit the recovery by suppliers on the Atlantic coast area of transportation charges in excess of the maximum tanker charter rates that were in effect during that

period, inasmuch as practically all of the supplies delivered in the Atlantic Seaboard States were at that time ocean-borne from the Gulf coast or other Caribbean ports. As a result of the submarine campaign and the diversion of tankers to other needs, there has been a tremendous increase in overland movements with greatly increased costs of delivering petroleum products to the Atlantic coast. There has likewise been a sharp increase in the costs of tanker movements, primarily due to increase in war-risk insurance. There are therefore two basic aspects of our problem: Overland shipments of petroleum and petroleum products to the Atlantic coast; ocean-borne shipments of petroleum and petroleum products to the Atlantic coast.

I. OVERLAND SHIPMENTS OF PETROLEUM AND PETROLEUM PRODUCTS TO THE ATLANTIC COAST

A plan for meeting the increased costs of shipping petroleum and petroleum products overland is now in operation. This plan involves a pooling arrangement whereby there is an equitable sharing of revenues and excess transportation expenses by the oil companies supplying the Atlantic coast area with petroleum products. It was drawn up by the companies involved and has been approved by the Office of the Petroleum Coordinator. In accordance with this plan, price increases totaling 1.2 cents per gallon on gasoline, 0.4 cent on kerosene, range oil, and No. 1 fuel oil; 0.6 cent per gallon on gas, oil, or other distillate fuel oils; and 45 cents per barrel on heavy fuel oil were approved by this Office prior to the general maximum price regulation issued on April 28, 1942. These price increases have been designed to provide revenue to compensate the participants in the so-called pool for the extra transportation expenses which they will incur. It has been estimated, on an assumption of tank-car movements into the Atlantic coast district of 600 000 barrels daily, that these price increases may contribute approximately \$195 000 000 annually to the pool. The companies participating in this plan are credited by the pool with the amount of extra transportation expenses incurred by each, and are debited by the pool to the extent of each company's sales of the specified petroleum products multiplied by the applicable price increase. This pooling operation covers all overland movements of petroleum and petroleum products, including those by inland waterways and pipe line.

As remaining tankers are diverted from Atlantic-coast shipments to other destinations, overland shipments are likely to increase in volume. This will increase the expense which the "pool" must bear. Decreased consumption of gasoline under a system of rationing will decrease the revenues which will be contributed to the "pool." The result is likely to be a deficit in the "pool's" operations. Since, under the policy of the Office of Price Administration, no further increases are to be permitted in retail prices, it will be necessary to secure funds from the Government with which to absorb these deficits. The "pooling" arrangement provides for a monthly audit by Price-Waterhouse of the operations of the "pool." We propose to ask the Reconstruction Finance Corporation for such funds as may be necessary to take care of the monthly deficits encountered.

II. Ocean-borne shipments of petroleum and petroleum products

These shipments fall into two categories: Tankers of 3,000 deadweight tons or more; tankers of less than 3,000 deadweight tons, barges, tugs, etc.

(1) Tankers of 3,000 deadweight tons

As we understand it, the War Shipping Administration has taken over for operation all tankers in excess of 3,000 deadweight

tons. We are, therefore, requesting that the War Shipping Administration deliver petroleum products in such tankers as remain in operation via the Gulf coast and the Atlantic coast at a cost to the shipper not in excess of that prevailing under the charter rates fixed by the Maritime Commission effective January 20, 1942; viz, gasoline and kerosene, 40 cents per barrel, heating oil, 42 cents per barrel, heavy fuel oil, 48 cents per barrel. If this plan is followed it will simplify very greatly the administration of subsidies to cover the extra cost of these movements.

In addition to the Gulf-east coast movement, there may be numerous other tanker movements for which similar arrangements should be provided; namely, from California to Washington and Oregon ports; cross Gulf movements; movements from California to Hawaii; from the Gulf and other ports to Puerto Rico and the Virgin Islands; from California to Alaska, and other tanker movements to Territories and possessions. We recommend for such movements that the War Shipping Administration absorb the cost in excess of the normal or basic rates before surcharges were imposed by the Maritime Commission.

(2) Movements by tankers of less than 3,000 deadweight tons, barges, tugs, etc.

For the absorption of increased transportation cost on these movements there are two alternatives:

(a) We may ask Reconstruction Finance Corporation to furnish funds to subsidize consignees for the difference in transportation costs now prevailing on such shipments and those prevailing October 1-15, 1941. This plan would necessitate determination of a normal rate for that period. The Office of Price Administration is willing to undertake the responsibility for such a determination. Since the rates for such shipments are not subject to Government regulation, this method of handling increased costs will result in difficult problems of control. While these are not insuperable, it will greatly simplify administration if the War Shipping Administration should requisition vessels of this class.

(b) We therefore urge that the War Shipping Administration requisition boats of this class and that it establish rates for tankers between specific points not in excess of those prevailing during the period of October 1-15, 1941. The Office of Price Administration is willing to assume responsibility for the determination of the normal rates of this period.

CONCLUSION

If the above program is carried out it will solve the problem occasioned by increased cost of transportation of petroleum products to deficit areas in such a manner as to leave undisturbed the price schedules which we have established.

GEORGE W. STOCKING,
Assistant Administrator,
Division of Fuels.

MAY 8, 1942.

MEMORANDUM

To: D. F. Houlihan, Director of Fiscal Affairs,
War Shipping Administration.
From: George W. Stocking.
Subject: Transportation subsidy on coal shipped to New England.

In accordance with your suggestion, we are submitting herewith proposed plans for taking care of increased transportation cost of coal shipped through New York Harbor or to New England.

As you know, our price schedules for solid fuels are based upon prices prevailing prior to January 1, 1942. Since that date, cost of shipping coal to New England has advanced substantially, due primarily to enemy submarine campaign off the Atlantic coast. This

has not only increased the cost of marine shipments by reason of sharply higher war-risk-insurance rates, bonuses to seamen, and slower movements of coal, but it has diverted traffic to railways at substantially higher cost than that previously prevailing for tidewater movements. These increased costs of transportation are of such magnitude that if our price schedules are to be maintained it is necessary for the United States Government to provide means of absorbing them.

The problem of subsidizing wartime increases in cost of transporting coal thus involves two major aspects:

I. Shipments of coal which will continue to move by tidewater but at higher costs.

II. Shipments of coal which would normally move by tidewater but which, because of inadequacy of tidewater facilities to meet wartime demands, must now be shipped by rail at a much higher cost.

Our proposals for relieving coal receivers of these increased transportation costs so that our price schedules may be maintained in New England are as follows:

I. TIDEWATER MOVEMENTS

These movements fall into two subcategories: (a) Shipments by cargo boats of 1,000 gross tons or more; and (b) shipments in smaller vessels, tugs, and barges.

(a) *Shipments in cargo boats of 1,000 gross tons or over*

It is our understanding that beginning May 16, 1942, the War Shipping Administration will take over the operation of all colliers with a capacity of 1,000 gross tons or more. We are requesting the War Shipping Administration to undertake to deliver coal in these vessels to New England at a cost for marine transportation to the consignee not higher than that which prevailed during the period December 15-31, 1941. As we understand it, this will involve the establishment of a nominal rate on cargo insurance which is normally paid by the consignee and a "standard" or "normal" ocean-freight rate equivalent to that prevailing during the period December 15-31, 1941. The Office of Price Administration is willing to assume responsibility for the determination of this normal rate. If this program is carried out, it will eliminate necessity of granting any cash subsidies to consignees who receive tidewater coal shipped in vessels of this class, and will, therefore, greatly simplify the problem of administration.

(b) *Shipments in smaller vessels, tugs, and barges*

If boats of this class engaged in coal transportation should continue to be operated by their private owners, it is our plan to subsidize receivers of coal who use such facilities to the extent of the increased cost which has occurred in this method of transportation since December 15-31, 1941. Under this plan, we could hope to secure funds for this purpose from the Reconstruction Finance Corporation. It is our understanding that the rates charged for transportation by vessels and barges of this class have been free from public regulation. This fact will create a problem in the granting of subsidies to receivers of coal since there is no check on the rates which the operators of such boats might charge. This obstacle, while by no means insuperable, would be eliminated entirely if the War Shipping Administration were to requisition these boats and establish a normal rate for coal shipments.

Accordingly, we strongly urge the War Shipping Administration to requisition boats of this class which are used in coal traffic. This would permit the operation of a plan along the lines contemplated in connection with larger vessels. It would simplify administration and would, in all probability, cost the Government less. If this plan is adopted, the War Shipping Administration would establish for water movements in ves-

sels of this class, a normal rate equivalent to the average rate prevailing in December 1941. The Office of Price Administration is willing to assume the responsibility for determining this normal rate. Under this plan, it may still be necessary to secure some funds from the Reconstruction Finance Corporation for subsidies to absorb the difference in cost, if any, of transportation by this class of vessels and the cost involved where vessels of the larger category were formerly used, or where a cheaper route was formerly available.

II. RAIL SHIPMENTS

Where cost of transporting coal has been increased above the December level by reason of the use of rail facilities in lieu of ocean shipments, we propose to secure funds from the Reconstruction Finance Corporation with which to subsidize such increased cost. The amount of the subsidy in case of any shipment by rail will be the published rail freight rate to the destination minus the following:

(i) Rail rate to the tidewater dumping point.

(ii) Normal ocean freight in December 1941 as determined by the Office of Price Administration for the War Shipping Board.

(iii) Average cargo insurance rate, if any, paid by consignee in December 1941.

(iv) Discharging charge at destination.

(v) Cheapest rail rate for back haul to inland destination point.

The amount of subsidy on rail movements will be computed in advance by the Office of Price Administration for each destination in the affected territory. Applicants for subsidies will be required to submit to the Office of Price Administration, under oath, paid railroad freight bills and pertinent information concerning their past practices in connection with coal purchases and the kind, size, and origin of coal for which subsidies are requested. Under this plan, the Office of Price Administration, after a careful check and audit of the data submitted, will certify the amount of the subsidy and the identity of the payee to the Reconstruction Finance Corporation, which will thereupon make payment.

You will observe that if the foregoing program is put into operation we will have solved completely the problem occasioned by increased transportation costs to New York and New England receivers of coal normally dependent upon coal moved by tidewater, without a disturbance of the price schedules which have been established, and without impeding the essential flow of coal to this area.

GEORGE W. STOCKING.

EXHIBIT B

OFFICE OF PRICE ADMINISTRATION,
Washington, D. C., May 14, 1942.

Admiral EMORY LAND,

War Shipping Administration,
Washington, D. C.

MY DEAR ADMIRAL LAND: The Government's wartime program against inflation is jeopardized in connection with bituminous coal moved to New York and New England receivers located along the Atlantic seaboard. Under normal conditions, this movement approximated, in the aggregate, some 20,000,000 tons annually, of which about 60 percent was transported from the southern fields by a combination rail and tidewater movement via Hampton Roads, the balance chiefly by rail from central Pennsylvania. It is reliably estimated that in 1943 this movement will have to be increased to from 26,000,000 to 28,000,000 tons to meet the demands of the Nation's wartime industrial program.

Because of the serious emergency created by enemy submarine activity along the Atlantic coast, the cost of transporting bituminous coal by water has increased drastically

since January 1, 1942. In addition, because of the severe curtailment in marine transportation facilities, an increasingly greater proportion of the coal must be shipped all-rail at a transportation cost substantially exceeding the cost for a combined rail and tidewater movement via Hampton Roads, prior to the first of this year.

The maximum prices established by the Office of Price Administration for the sale of solid fuel are predicated upon price levels prevailing prior to January 1, 1942. The maintenance of this ceiling is a vital part of the Government's general program to stabilize production costs, prices, and the cost of living. That program is essential to make available for the production of war material all the industrial resources of the country. In order that this ceiling may be maintained, it is imperative that New York and New England purchasers of solid fuel who normally depend upon southern coal moved by tidewater be relieved of the heavy burden of the added transportation costs to which they are now subject. Otherwise, the movement of bituminous coal to the affected territory will be curtailed and the war production program will be seriously impeded.

The foregoing has been the subject of considerable discussion between representatives of the Office of Price Administration, the Reconstruction Finance Corporation, and the War Shipping Administration.

It has been agreed in these discussions that the Reconstruction Finance Corporation will furnish the funds necessary to assure compensatory adjustments to purchasers of coal who incur unusual and extra wartime transportation costs of the kind outlined above.

It has also been agreed in these discussions that, in the interest of the over-all program both to prevent inflation and at the same time continue the movement of solid fuels to New York and New England, the War Shipping Administration will undertake, insofar as bituminous coal is moved after May 17, 1942, in vessels operated by it, to assure that the total cost of transporting that coal does not exceed the amount specified by the Office of Price Administration as essential to its program. The Office of Price Administration will undertake the responsibility of specifying rates necessary for this purpose. This will be specified at once, subject to such subsequent revisions as may be dictated by experience.

In view of the imminence of the effective date of the maximum prices applicable to solid fuels and the urgent need of facilitating the essential flow of solid fuel to the affected territory, it is of the utmost importance that an announcement of the Government's plan regarding the absorption of abnormal costs of transporting bituminous coal be made at the earliest possible moment. Accordingly, will you kindly confirm our understanding of the mutual undertakings of the Office of Price Administration and the War Shipping Administration?

Very truly yours,

LEON HENDERSON,
Administrator.

EXHIBIT C

OFFICE OF PRICE ADMINISTRATION,
Washington, D. C., May 14, 1942.

Admiral EMORY LAND,

Director, War Shipping Administration,
Washington, D. C.

MY DEAR ADMIRAL LAND: I am writing this pursuant to our mutual program to have the Government absorb wartime increases in the cost of transporting bituminous coal by tidewater to receivers in the New York Harbor area and along the New England coast.

Attached hereto is a schedule of marine transportation rates reflecting those prevailing during the last 2 weeks in December 1941, which the Office of Price Administration requests the War Shipping Administration to maintain on bituminous coal transported in

collers operated under the jurisdiction of the War Shipping Administration. These rates have already been reviewed by members of your staff, after presentation by representatives of this Office.

Will you please confirm our understanding that the War Shipping Administration will establish these rates not later than May 18, 1942.

Very sincerely yours,

LEON HENDERSON,
Administrator.

OFFICE OF PRICE ADMINISTRATION,

Washington, D. C.

COLLIER RATES ON BITUMINOUS COAL FROM HAMPTON ROADS, VA., TO DESTINATIONS INDICATED BELOW (RATES PER TON OF 2,240 POUNDS)

Destination:	Collier rate
Long Island Sound ports ¹ -----	\$0.85
Boston, Mass., group ² -----	1.00
Portsmouth, N. H., and Portland, Maine, group ³ -----	1.15
Ports east of Portland, Maine ⁴ -----	1.35
Thames River ports above New London ⁵ -----	1.00
New York Harbor ⁶ -----	.80

¹Includes Bridgeport, Groton, New Haven, New London, and Stamford, Conn.; Newport and Providence, R. I.; Fall River, New Bedford, and Somerset, Mass.

²Includes Beverly, Boston, Charlestown, East Boston, Everett, Lynn, Plymouth, Salem, South Boston, and Weymouth, Mass.

³Includes Gloucester and Newburyport, Mass.; Portsmouth, N. H., and Portland, Maine.

⁴Includes Bath, Belfast, Bucksport, Eastport, Rockland, Sandy Point, and Searsport, Maine.

⁵Includes Allyn's Point, Montville, and Norwich, Conn.

⁶All points within harbor limits, including Kearney and South Kearney, N. J.

Rates as named above to include dumping and/or trimming charges at Hampton Roads, and war-risk insurance.

EXHIBIT D

WAR SHIPPING ADMINISTRATION,

Washington, May 16, 1942.

Mr. LEON HENDERSON,
Administrator,
Office of Price Administration,
Washington, D. C.

DEAR MR. HENDERSON: This is in reply to your two letters dated May 14, 1942, concerning the establishment of freight rates for coal on colliers, the use of which was requisitioned by this Administration on April 18 and 19, at levels reflecting those prevailing during the last 2 weeks in December 1941.

Inasmuch as you have advised me that the establishment of the freight rates suggested in your letter will enable the Office of Price Administration to maintain its ceilings on the selling price of bituminous coal predicated upon price levels prevailing prior to January 1, 1942; that the maintenance of this ceiling is a vital part of the Government's general program to stabilize production costs, prices, and the cost of living; and that the program is essential to make available for the production of war material all the industrial resources of the country, I shall be very pleased to establish freight rates for the colliers requisitioned by this Administration at the levels you suggest. Such rates will be made effective May 18, 1942.

Sincerely yours,

D. F. HOULIHAN,
For E. S. LAND,
Administrator.

EXHIBIT E

OFFICE OF PRICE ADMINISTRATION,

Washington, May 18, 1942.

Admiral EMORY LAND,
War Shipping Administration,
Washington, D. C.

DEAR ADMIRAL LAND: The program of the Government to prevent inflation is jeopardized in connection with the movement of petroleum and petroleum products to the east coast from the Gulf coast as well as movements in other parts of the country, particularly to the Pacific Northwest from the State of California. Under normal conditions the movement to the east coast from the Gulf in the aggregate is approximately a million and a half barrels a day. This constitutes about 95 percent of the normal use of petroleum products in some 18 eastern-seaboard States. The movement by water from California to the Pacific coast is approximately 150,000 barrels per day.

Due to the serious emergency created by the diversion of tankers beginning as early as last summer and the submarine activity along the Atlantic coast, the amount of petroleum products moved to the east coast by water has been drastically diminished in recent months. In an effort to meet the minimum requirements of the eastern-seaboard States for petroleum products for civilian and war purposes, rail facilities have been substituted in large part for water transportation for the movement of both crude oil and petroleum products, but a substantial proportion continues to move by water. The movements to the Pacific Northwest are currently being maintained at a considerable rate.

As a result of these circumstances, the costs of ocean-borne transportation of petroleum and petroleum products have increased substantially. The United States Maritime Commission took cognizance of this fact when it increased the basic voyage charter rates established by it on January 20 by surcharges ranging from 100 to 200 percent of the basic rates. In April the costs of tanker movement from the Gulf to the east coast north of Cape Hatteras had increased to about 85 cents per barrel in excess of the basic charter rates, mainly because of the war-risk insurance expenses. These increased costs constitute a serious threat to the price ceilings established on petroleum products.

We are therefore requesting that the War Shipping Administration assume, retroactive to the date April 20, 1942, when the War Shipping Administration took over the operation of tankers in excess of 3,000 dead-weight tons, all costs of the movement of crude petroleum and petroleum products in such tankers into the United States and between coastal and tidewater points in continental United States over and above the basic maximum charter rates established by the United States Maritime Commission on January 20, or in effect on that date. For transportation of petroleum and petroleum products from the Gulf to the east coast the following should be considered the basic charter rates per barrel to be charged shippers: 40 cents for gasoline and kerosene, 42 cents for light fuel oil, 43 cents for 30° gravity crude oil or under, and 48 cents for heavy crude and residual fuel oils.

Where no charter rates have been established and for such petroleum supply points as Venezuela, Aruba, Curacao, etc., to the continental United States, we understand that the United States Maritime Commission will set charter rates predicated upon basic rates in effect on January 20.

We have discussed with your office the necessity of establishing similar arrangements on shipments of petroleum and petroleum products to all our island possessions where prices are subjected to the control of this Office. We understand that after this matter

has been further investigated rates to the shippers mutually satisfactory to the War Shipping Administration and to the Office of Price Administration will be established, and all costs in excess of these rates are to be borne by the War Shipping Administration.

The Office of Price Administration has established as maximum prices for the sale of petroleum products the prices generally prevailing between October 1-15, 1941, with the exception that substantial increases have been permitted in the Eastern Seaboard States in order to permit the industry to recover extra transportation costs incurred in the movement of petroleum products by rail to this area. The maintenance of these maximum prices is a vital part of the Government's general program to stabilize production costs, prices, and the cost of living. This program is essential to make available for the production of war material all the industrial resources of the country. In order to accomplish this objective, it is of the utmost importance that those companies concerned with the movement of petroleum to various parts of the country be relieved by the heavy burden of the added war risk and increased marine transportation expenses. Unless this is done, the movement of petroleum products which has already been curtailed will be further impeded, and the war-production program will be seriously impaired.

In view of the importance of maintaining the maximum prices heretofore applicable to petroleum products and the urgent need of facilitating the essential flow of these products to the affected territories in various parts of the country, it is of the utmost importance that an announcement be made at the earliest possible moment of the Government's plan regarding the absorption of abnormal costs of transporting petroleum products.

We should, therefore, greatly appreciate confirmation of our understanding of this mutual undertaking of the Office of Price Administration and the War Shipping Administration.

Sincerely yours,

LEON HENDERSON,
Administrator.

EXHIBIT F

WAR SHIPPING ADMINISTRATION,

Washington, May 19, 1942.

Mr. LEON HENDERSON,
Administrator, Office of Price
Administration, Washington, D. C.

DEAR MR. HENDERSON: This is in reply to your letter of May 18, 1942, concerning rates to be established by this Administration for the transportation of petroleum products.

In view of the fact that you consider the establishment of such rates to be essential to make available for the production of war material all of the industrial resources of the country, I shall be pleased to cooperate with you in establishing such rates.

On the second page of your letter you request the War Shipping Administration to establish the suggested rates retroactive to April 20, 1942, "when the War Shipping Administration took over the operation of tankers in excess of 3,000 deadweight tons." Your attention is called to the fact that while the telegrams requisitioning these vessels were sent out on April 18, 1942, the requisitions only became effective upon this Administration accepting delivery of the vessels in question. Very few of these deliveries were accepted on April 20; most of them were accepted subsequent to April 20, 1942.

Accordingly we are fixing our rates as of April 20, 1942, with respect to all vessels time chartered to or requisitioned by the War Shipping Administration as of that date.

With respect to all other vessels, the rates will be retroactive to the date subsequent to April 20, 1942, when the War Shipping Administration actually accepted delivery of the individual vessels.

Sincerely yours,

D. F. HOULIHAN,
For E. S. LAND,
Administrator.

EXHIBIT G

OFFICE OF PRICE ADMINISTRATION,
Washington, D. C.

Admiral EMORY LAND,
War Shipping Administration,
Washington, D. C.

DEAR ADMIRAL LAND: On May 18 this Office requested your agency to restore basic charter rates in effect on January 20 for the movement by water of petroleum and petroleum products to all points of the continental United States. This request, which was granted by the War Shipping Administration, was made as part of a program of maintaining the maximum prices heretofore established by this Office for all commodities including petroleum and petroleum products.

It was our understanding that under this arrangement, your office would assume all costs of the movement of crude petroleum and petroleum products in requisitioned tankers into the United States and between coastal and tidewater points in the continental United States over and above the basic maximum charter rates established by the United States Maritime Commission on January 20, or in effect on that date. We understand, however, that you have not interpreted this to include war-risk insurance on cargoes.

Because of the very great importance of this matter to the success of our effort to prevent inflation and its relationship to the war efforts of the National Government, we are, therefore, requesting that as an emergency measure war-risk insurance on cargoes be reduced to the levels prevailing on January 20, 1942. Unless this is done, the movement of petroleum products which has already been curtailed will be further impeded, the war-production program will be seriously impaired, and the maximum price regulations established by this Office will be threatened.

Sincerely yours,

LEON HENDERSON,
Administrator.

EXHIBIT H

WAR SHIPPING ADMINISTRATION,
Washington, June 2, 1942.

MR. LEON HENDERSON,
Administrator, Office of Price
Administration, Washington, D. C.

DEAR MR. HENDERSON: Reference is made to your letter of June 2, 1942, requesting that the War Shipping Administration provide war-risk insurance on cargoes of petroleum products shipped by tankers to United States ports at level of war-risk insurance rates prevailing on January 20, 1942, for the reasons therein set forth.

Upon the basis of the information and recommendations submitted by you, the Administrator has determined that the provision of such insurance upon the basis requested by you would be of material benefit to the domestic economy of the United States. The Administrator is, therefore, prepared to provide war-risk insurance at such rates effective with respect to all insurances negotiated with the Administration on and after today's date.

In view of the fact that such insurance will be provided at substantially below cost, we assume that your Administration will take steps to insure that the full benefit of

such rates is reflected in the ultimate price structure.

We regret there was a misunderstanding regarding the reduction in war-risk cargo insurance at the time that it was agreed we should reduce the freight rates on petroleum products to the levels of January 20, 1942. This is understandable in view of the speedy way in which the transaction was consummated.

Sincerely yours,

E. S. LAND,
Administrator.

EXHIBIT I

WAR SHIPPING ADMINISTRATION,
Washington, June 2, 1942.

MR. LEON HENDERSON,
Administrator, Office of Price
Administration,
Washington, D. C.

DEAR MR. HENDERSON: I am writing you in connection with the action taken by the War Shipping Administration on May 16, 1942, in reducing freight rates on coal carried from Hampton Roads to New York, and points east thereof; our action of May 19, 1942, in reducing freight rates on petroleum products imported into the United States or transported between United States ports; and our action of today's date in reducing war risk insurance rates on such cargoes of petroleum products.

These steps, which represent substantial subsidies to the consignees of such products, have been taken solely at the request of your Office, and in view of your representations as to the immediate urgency of the situation and do not at this time constitute an established long-range policy of the War Shipping Administration. I have agreed promptly to your requests, with the understanding that full responsibility is being undertaken by your Administration to ensure that the benefits flowing from these subsidies will be reflected in full in the ultimate price structure, and will inure to the public interest rather than to any private interest.

Since it is probable that you will request additional transportation and insurance subsidies on various commodities, it would seem that your full program in this respect, even if only in tentative form, should be sent to us as soon as practicable, in order that we may formulate from it a long-range policy. Our decision in this respect can be made only after full consideration of the principles, implications, and amounts involved in your program with respect to such subsidies on the concept of the administration and Congress in regard to these subsidies. Furthermore, it may be desirable that all subsidies granted for the purpose of maintaining the frozen price levels be centralized in one agency in order that the full costs thereof be readily available to the proper authorities, rather than that they be assumed by several agencies and, as in the case of the War Shipping Administration, be consequently hidden. I would appreciate your comments on this latter point.

MR. CANNON of Missouri, Mr. Speaker, I yield now to the gentleman from Illinois [Mr. DEWEY].

MR. DEWEY. Mr. Speaker, I have listened to the words of my distinguished colleague from Missouri [Mr. COCHRAN], and I agree with him that one of the main battles on the home front is the defeat of any inflationary tendencies.

Cost what it may in the form of appropriations for an adequate and efficient staff for the administration of the Price Control Act, it will probably be money well spent.

I have, however, one reservation, and in mentioning it I believe that most of

the members of the Banking and Currency Committee, of which I am a member, will agree. It was this committee that sat for 4 months during the summer of 1941, and, after listening to many witnesses and to Mr. Henderson, himself, reported the Price Control Act to the House.

My reservation is that there just could not be enough money appropriated for the administration of the act unless the people of the United States are sympathetic to it. Without such public sympathy, it might reach the absurd proportions of hiring every other one to police his neighbor.

I think Mr. Henderson is a man of capacity and capabilities, but I hope in the choice of his subordinates he will find men of experience and knowledge in the different phases of our national economy, over which they will have great control, and I hope, further, that he, himself, will demonstrate that he wishes to be the champion of the people rather than an economic dictator.

I, therefore, shall support the conference report which has increased the original amount of \$75,000,000 to \$120,000,000 for the Office of the Price Administrator. In doing this I am appealing to Mr. Henderson and his staff to do everything within their power for a public understanding of their activities. If the public has this understanding, it will cooperate. This is an American habit.

MR. CANNON of Missouri. Mr. Speaker, I yield 2 minutes to the gentleman from Pennsylvania [Mr. RICH].

MR. RICH. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

THE SPEAKER. Is there objection? There was no objection.

MR. RICH. Mr. Speaker, I was very much interested in what the gentleman from New York [Mr. CELLER] just said about greenbacks. He said they were no good and worse than that, and I wonder what is going to happen to the American dollar bill. I think after awhile it will be worth much less than the greenbacks were, unless you do different than you are now doing. This is particularly so when you look at the Treasury statement of July 13 and should find that you are \$2,138,128,000 in the red since July 1. I ask you, how long are you going to keep it up and I ask you, also, where are you going to get the money?

You are talking about Mr. Henderson regulating the price of commodities. Here is a newspaper article which appeared yesterday and I quote from it—

War production was harassed by a total of 192 strikes during the month of June as compared with 144 during May, a continuation of an upward trend which started early this year, the War Labor Board disclosed yesterday.

The fact of the matter is, if you are going to regulate prices by spending all this money when you know it is not going to be used wisely, you are not going to get anywhere, for you have to pass legislation putting a ceiling on wages, and you have to regulate everything that goes into the cost of an article whether it is grown on the farm or manufactured. There

is no use of your fooling yourselves, or trying to fool the people any longer by thinking that you can give Mr. Henderson \$120,000,000 and that therefore he will be able to do the job. You do not need to think that he is going to be able to do a lot more with \$120,000,000 than you ought to do with your own little brains, because it is going to take brains to do this, not money. You cannot regulate prices unless you regulate everything that goes into the cost of the article. So do not fool the people any longer, you have been doing it long enough.

You cannot regulate manufactured products without knowing the cost of labor. You cannot regulate the prices of farm produce unless you know the cost of labor. Now, if you are going to regulate, then regulate everybody and everything, that is the only way you can do it. It cannot be done by force half as well as by appealing to the patriotism of the American people.

The American people will be led a great deal better than they will be driven. The American people are patriotic. The American people want to continue their freedom under the Constitution. The American people do not want a dictator. A dictator they are getting, however, under the New Deal.

Stop it, stop it now. I warn you.

I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection? There was no objection.

Mr. CANNON of Missouri. Mr. Speaker, I yield 5 minutes to the gentleman from Pennsylvania [Mr. DITTER].

[Mr. DITTER addressed the House. His remarks will appear hereafter in the Appendix.]

OFFICE OF PRICE ADMINISTRATOR

Mr. PATMAN. Mr. Speaker, I do not agree with the gentleman from Pennsylvania [Mr. DITTER] that Mr. Leon Henderson has proved himself to be inefficient and incompetent. On the other hand, I think he has demonstrated his competency and efficiency. I do not know of a man in the United States who is better qualified to enforce this law than Leon Henderson. Any man in his position will be unpopular until the people become fully informed of the facts. This attack on Mr. Henderson is a subtle attack on the War Production Board and an attack upon the President of the United States. When we passed the declaration of war resolutions against Japan and against Germany the concluding sentence was, after the declaration of war part, "and to bring the conflict to a successful termination, all of the resources of the country are hereby pledged by the Congress of the United States."

ALL RESOURCES OF GOVERNMENT TURNED OVER TO PRESIDENT

So we have turned over all of the resources of the country to the President to prosecute this war. The President is trying to use those resources in the interest of the people. He has set up the War Production Board. Donald Nelson is the chief, and he is a good one. The War Production Board is responsible, if any-

one is responsible, but in the end the President of the United States is responsible, and he is not trying to evade responsibility for the rationing. Who does this rationing? Of course, Mr. Henderson is abused for putting into effect rationing of oil on the Atlantic seaboard. He did not put it into effect. Why abuse him? The War Production Board put it into effect. Donald Nelson, the Secretary of War, the Secretary of the Navy, the Secretary of Commerce, and many others constitute that Board. They unanimously voted to put it into effect and turned it over to Mr. Henderson to administer. Mr. Henderson is abused for rationing sugar. Who put the sugar rationing into effect? The War Production Board. Who appointed the War Production Board? The President of the United States. Who caused him to do it? The Congress of the United States.

ATTACK ON THE PRESIDENT

So this is nothing more nor less than a subtle attack not on Mr. Henderson—it is not subtle on him, but it is a subtle attack on the War Production Board and the President of the United States.

To my mind, this Congress should be glad to back up a law that we passed. We passed a law asking the President to stop inflation; not to have any inflation in this country. How can we expect him to carry it out after pledging him all the resources of this Nation, unless we give him the money that he wants? He wanted \$161,000,000. The House cut it down to \$75,000,000.

The Senate and the conferees made it \$120,000,000. It is my humble belief that we will receive more money in dividends, if you want to call them dividends, for the appropriation of this \$120,000,000 than any other similar money that this Congress will appropriate. For every dollar we use to cut down the cost of living and keep prices in line the American people will receive in dividends from \$25 to \$50, and perhaps more than that.

So I hope this report is adopted.

The resolution of the Congress declaring War on Japan, December 8, 1941, and on Germany and Italy December 11, 1941, are as follows:

Whereas the Imperial Government of Japan has committed repeated acts of war against the Government and the people of the United States of America: Therefore be it

Resolved, etc., That the state of war between the United States and the Imperial Government of Japan which has thus been thrust upon the United States is hereby formally declared; and that the President be, and he is hereby, authorized and directed to employ the entire naval and military forces of the United States and the resources of the Government to carry on war against the Imperial Government of Japan; and to bring the conflict to a successful termination all of the resources of the country are hereby pledged by the Congress of the United States.

Whereas the Government of Germany has formally declared war against the Government and the people of the United States of America: Therefore be it

Resolved, etc., That the state of war between the United States and the Government of Germany, which has thus been thrust upon the United States, is hereby formally declared; and the President is hereby authorized and directed to employ the entire naval and military forces of the United States and

the resources of the Government to carry on war against the Government of Germany; and, to bring the conflict to a successful termination, all of the resources of the country are hereby pledged by the Congress of the United States.

Whereas the Government of Italy has formally declared war against the Government and the people of the United States of America: Therefore be it

Resolved, etc., That the state of war between the United States and the Government of Italy, which has thus been thrust upon the United States, is hereby formally declared; and the President is hereby authorized and directed to employ the entire naval and military forces of the United States and the resources of the Government to carry on war against the Government of Italy; and, to bring the conflict to a successful termination, all of the resources of the country are hereby pledged by the Congress of the United States.

[Here the gavel fell.]

Mr. CANNON of Missouri. Mr. Speaker, I yield to the gentleman from Arizona [Mr. MURDOCK] such time as he may desire.

Mr. MURDOCK. Mr. Speaker, if necessary to prevent today such a rise in the cost of living as occurred in the last World War, we appropriate a quarter of a billion dollars, it would be cheap at that price. I favor the appropriation of \$120,000,000 for this work, as I think it may certainly cost that much, in the way we are now attempting to do it, and it may cost more. If it actually requires more money, we should not hesitate to enlarge on this \$120,000,000. It is about as vital to our national well-being to safeguard our standard of living as it is to defend our shores against the foreign foe.

We seem all agreed on the need of price control but differ as to the best method. Personally I do not think Mr. Leon Henderson's plan is the best or most effective one. However, we have embarked upon this course and it may be better to give it a fair trial rather than to change even to a better method. If I were doing it, I would cover more items and call for a greater degree of cooperation of the buying public. But I am not doing it, except to cooperate with the Price Administrator.

Mr. CANNON of Missouri. Mr. Speaker, I yield to the gentleman from Missouri [Mr. BENNETT] such time as he may desire.

Mr. BENNETT. Mr. Speaker, when the price-control bill passed the House last November, I cast my vote in opposition to the measure. My action at that time was due to my belief that in order to be effective, price control must be general in its application. The bill as passed gives the Price Administrator limited powers. The Chief Executive opposed any provision in the bill that would regulate wages. He desired to handle the matter of wages in his own way with the result that the pay of hundreds of thousands of workers, who were already well compensated, have been materially increased. All of us like to see the Nation's workers well paid. Labor equals about 75 percent of the cost of many necessary articles and it is foolish to think that wholesalers and retailers can sell merchandise at the same price

that they received under low wages when wages are high.

Some of us have been severely criticized by the press because we have insisted upon parity for the farmer. If the people will take the trouble to investigate prices now received by the farmers for their products and the prices that the farmers pay for their shoes, clothing, and farm implements and machinery, they will understand that the farmer has not been selfish in his claims. They will know that the farmer and his friends in this body have asked for a square deal and nothing more.

Mr. Speaker, all of us fear inflation, all of us like to see our friends in business and on the farms making liberal profits. As the Price Control Act is now administered, it is forcing thousands of small businesses into bankruptcy, while the inflation spiral gradually grows in volume and intensity.

When this bill passed the House, it provided for an appropriation of \$75,000,000 for the Office of Price Administration. It comes back to us from the conference committee with a provision for \$120,000,000. Time has proved the correctness of my stand last November. Price control is not effective under the present law and I am unwilling to vote for \$120,000,000 to carry on the work unless I am assured that the law will be revised in such a manner as to make price control effective. No man can make good as Price Administrator under the law now in effect. I hope that the Chief Executive now realizes this fact and that he will make good his promise to send a special message to the Congress recommending a revision of the law in such a way as to save the United States from the disastrous effects of wild inflation.

Mr. CANNON of Missouri. Mr. Speaker, in order to keep the record straight, I submit a tabulation showing the amounts asked and provided for the Office of Price Administration:

Amount originally requested from the Budget.....	\$196,000,000
Amount of Budget estimate to Congress.....	161,000,000
Amount allowed by House bill.....	75,000,000
Amount allowed by Senate committee.....	120,000,000
Amount allowed by the Senate.....	125,000,000
Amount agreed upon by conferees.....	120,000,000

Mr. Speaker, the amount allowed in the bill is \$76,000,000 less than the Price Administrator originally asked from the Bureau of the Budget and it is \$41,000,000 less than the amount the President requested from Congress.

During the course of the Senate hearings it was developed that the Administrator felt that \$140,000,000 was the very minimum amount upon which he should be required to start operations for the year. The amount allowed is \$20,000,000 below this figure. The appropriation contained in the bill carries the requirement that it shall not be supplemented by allocations from any other appropriation, so that if the amount supplied in the bill proves to be inadequate as the administration of the law progresses the only source of funds available to him will

be to apply to Congress through the regular channels for supplemental funds.

The Senate amendment to the O. P. A. carried a limitation that none of the funds should be used directly or indirectly for making any subsidy payments. The conferees have retained this provision in the bill but have stricken out the words "directly or indirectly." The limitation is of no force in the bill as it was never contemplated that the amount requested in the bill for administrative purposes would be used for making any subsidy payments. The words "directly or indirectly" however did have possible interpretation to prevent the payment of any individual employed by O. P. A. from cooperating with the Maritime Commission or the R. F. C. in working out transportation costs in connection with the movement of fuel and it was felt that it was not intended that the amendment should have that effect.

The Senate also added to the O. P. A. appropriation a limitation with respect to permitting it from being used to enforce any maximum price or maximum prices on any agricultural commodity or any commodity processed or manufactured in whole or substantial part from any agricultural commodity unless and until section 3 of the Emergency Price Control Act is complied with. This amendment is brought back to the House in disagreement and will come up for separate discussion after the conference report has been disposed of.

The amount allowed for the O. P. A. seems a satisfactory solution of a very controversial question. Everyone agrees upon the premise that inflation should be controlled and prevented to the extent possible. It is not claimed that the Price Administration by itself through the enforcement of the Price Control Act can accomplish that. However, the restriction of prices and the restraint of rents and the rationing of short commodities is a highly important factor in the effort and the Price Administration should be given adequate opportunity to show what can be accomplished.

I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the conference report.

Mr. YOUNG. Mr. Speaker, on that I demand a division.

The question was taken; and on a division (demanded by Mr. Young) there were—ayes 96, noes 5.

Mr. YOUNG. Mr. Speaker, I make the point of order that a quorum is not present, and I challenge the vote on the ground that there is no quorum present.

Mr. CANNON of Missouri. I ask the gentleman not to make that point of order at this time. There has been cooperation on both sides of the aisle and cooperation on the part of everyone who has had anything to do with this, both in the committee of conference and in the House.

Mr. YOUNG. Mr. Speaker, in view of the request made by the chairman of the Appropriations Committee, I will withdraw the point of order.

The conference report was agreed to.

A motion to reconsider was laid on the table.

The SPEAKER. The Clerk will report the first amendment in disagreement.

The Clerk read as follows:

Amendment No. 1: Page 2, after title I, insert:

"LEGISLATIVE
SENATE"

"For an amount required to increase the salaries of three laborers in the Office of the Secretary from \$1,380 to \$1,440 each, fiscal year 1943, \$180, effective July 1, 1942."

Mr. CANNON of Missouri. Mr. Speaker, I move that the House recede and concur in Senate amendment numbered 1.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment No. 16: On page 23, in line 24, insert: "Provided further, That no part of this appropriation shall be used to enforce any maximum price or prices on any agricultural commodity or any commodity processed or manufactured in whole or substantial part from any agricultural commodity unless and until (1) the Secretary of Agriculture has determined and published for such agricultural commodity the prices specified in section 3 (a) of the Emergency Price Control Act of 1942; (2) in case of a comparable price for such agricultural commodity, the Secretary of Agriculture has held public hearings and determined and published such comparable price in the manner prescribed by section 3 (b) of said act; and (3) the Secretary of Agriculture has determined after investigation and proclaimed that the maximum price or prices so established on any such agricultural commodity will reflect to the producer of such agricultural commodity a price in conformity with section 3 (c) of said act."

Mr. CANNON of Missouri. Mr. Speaker, I move to recede and concur in Senate amendment numbered 16 with an amendment, which is at the Clerk's desk.

The Clerk read as follows:

In lieu of the matter proposed to be inserted by such amendment, insert the following: "Provided further, That no part of this appropriation shall be used to enforce any maximum price or prices on any agricultural commodity or any commodity processed or manufactured in whole or substantial part from any agricultural commodity unless and until (1) the Secretary of Agriculture has determined and published for such agricultural commodity the prices specified in section 3 (a) of the Emergency Price Control Act of 1942; (2) in case of a comparable price for such agricultural commodity, the Secretary of Agriculture has held public hearings and determined and published such comparable price in the manner prescribed by section 3 (b) of said act; and (3) the Secretary of Agriculture has determined after investigation and proclaimed that the maximum price or prices so established on any such agricultural commodity will reflect to the producer of such agricultural commodity a price in conformity with section 3 (c) of said act: *Provided further*, That in the case of a maximum price or maximum prices heretofore established the provisions of the foregoing proviso shall not apply until the expiration of 60 days after the date of enactment of this act."

Mr. CANNON of Missouri. Mr. Speaker, under the Emergency Price Control Act, the Price Administrator is forbidden to place ceilings on any farm product below the highest of the following four alternative levels: (1) 110 per-

cent of parity or a comparable price as determined and published by the Secretary of Agriculture, (2) the October 1, 1941, farm price, (3) the December 15, 1941, farm price, (4) the 1919-29 average farm price.

The Price Administrator is likewise forbidden to establish or maintain a ceiling price on any commodity processed or manufactured in whole or substantial part from any agricultural commodity, below a price which will reflect to the producers of the agricultural commodity a price equal to the highest of these four alternatives.

Under section 2 of the Emergency Price Control Act, which relates to the buying, selling, and storing of commodities, the making of subsidy payments to the producers, the regulation of speculation, hoarding, and so forth, the Price Administrator is also forbidden to authorize any sale or any other disposition of any agricultural commodity contrary to the provisions of the Agricultural Adjustment Act of 1938, as amended, or to prohibit trading in any agricultural commodity for future delivery, if such trading is subject to the provisions of the Commodity Exchange Act, as amended, or to take any action contrary to the provisions and purposes of section 3, that no agricultural commodity shall be sold within the United States pursuant to the provisions of this section by any governmental agency at a price below the price limits imposed by section 3 (a) of this act with respect to such commodity.

It has been contended that the Office of Price Administration has failed to carry out these provisions with respect to the establishment of maximum prices on agricultural commodities and commodities processed or manufactured in whole or substantial part from agricultural commodities.

Mr. Albert A. Goss, master of the National Grange, appearing for the Grange before the House subcommittee, said:

The Grange favored the provisions of section 3 (e).

It was our thought that so far as agriculture was concerned, section 3 gave fairly satisfactory assurance of equitable prices and placed the responsibility for farm production where it belonged, in the Department of Agriculture. It was our expectation that the Department of Agriculture would review all price ceilings affecting agricultural commodities or articles manufactured therefrom, to determine whether they reflected prices as outlined in section 3 (a), and that if they did not conform, the Secretary would withhold his approval.

However, as the act has been administered, we find that the decisions on articles made from agricultural commodities have not been made in the Department of Agriculture, and understand that the Price Control Administrator interprets the act as limiting the Secretary's right of approval to farm commodities only and not to articles manufactured in substantial part therefrom. Thus, he may establish a ceiling on a processed product, like ham or bacon, for example, at a figure which will make it impossible for the processors or dealers to pay the prices as provided in section 1 (a), and the Secretary has no right to pass upon it.

The difference in procedure between the measure as we believe the Congress intended and as actually put into effect is vital. As intended, no ceilings affecting farm prod-

ucts were to be put into effect until reviewed and approved by the Secretary to assure that they would not cause food shortages and ruin farmers. As practiced, no consideration is given to the effect on production before the ceiling is clamped down and it is then up to the farmer to prove damages.

Granting that the intention of the Price Administrator may be above criticism, and that he would correct errors when convinced that the correction is needed the remedy is impractical for most farmers. It is necessary for the farmer to prove two things: First that the prices he receives are below his costs; and second, that there is no profiteering between the consumer's price and the price received by the farmer. In effect, it makes the farmer police the profiteering of processors and middlemen, the very job the Price Administrator is expected to do. This may be the easiest way from the standpoint of the Price Administrator but it holds grave dangers as a threat to our food supply. Food is vital and Congress put in certain safeguards to protect it. Under the present plan those safeguards are largely circumvented and left ineffective.

Mr. Goss's position was corroborated by Mr. Edward A. O'Neal, president of the American Farm Bureau Federation, who testified:

As we construe the act and as we believe Congress intended it to be carried out, we do not believe that the provisions of section 3 of the act relating to agricultural commodities have been fully carried out.

The provisions of section 3 are definite in character. Section 3 requires, among other things, that for the purposes of the Price Control Act parity prices shall be determined and published by the Secretary of Agriculture, as authorized by law. The Secretary of Agriculture, prior to the issuance of the over-all price-ceiling order on April 28, had not determined and published specifically for the purposes of the Price Control Act a list of the parity prices or comparable prices for all of the commodities which are affected directly or indirectly by this order. For some time the Department of Agriculture has been publishing parity prices on a small list of agricultural commodities, and embracing about 30 commodities. There are a far greater number of agricultural commodities on which parity or comparable prices had not been officially determined and published. Until the parity prices or comparable prices of agricultural commodities affected directly or indirectly by the over-all ceiling order were determined and published as required by the act, we do not understand how the Administrator could determine whether the over-all price order complied with the provisions of section 3, which requires that no ceilings be placed on any agricultural commodity or on any product thereof so as to reflect back to the farmers prices less than the highest of the minimum ceilings provided in section 3 (a), including 110 percent of parity.

In other words, according to the law, he must secure the figures from the Secretary of Agriculture before he announces a ceiling price.

The National Council of Farmer Cooperatives, the Cooperative Milk Producers Federation, the United States Live Stock Association, the National Wool Growers Association, and the Missouri Farmers Association later appeared in behalf of the proposition.

In response to this suggestion, the House committee incorporated in its report the following:

The committee heard testimony from representatives of the American Farm Bureau Federation and the National Grange in connection with the administration of the

Emergency Price Control Act of 1942. These gentlemen called attention to the provisions of the law with respect to agricultural commodities and to the effect of the administration of the general price regulation placing an over-all ceiling on prices. While certain agricultural commodities are exempted under the order, particularly raw or unprocessed agricultural commodities, these exemptions are not wholly actual in that the prices of distributors and processors of most of the exempt commodities are controlled. In this fashion the price of the exempt commodity is controlled by the ability of the processor and distributor to pay the producer for it. Section 3 (c) of the act is specific with respect to prices for commodities processed or manufactured in whole or substantial part from any agricultural commodity. The committee is of the opinion that the provisions of section 3 of the act should be administered in accordance with the intent of the law both as expressed in its specific terms and as reflected in the reports and debates in Congress during the course of its enactment. The provisions of section 3 are clear and unequivocal and should be followed according to the purposes of Congress in its enactment.

The Senate, however, agreed to the amendment now pending, and in conference the managers on the part of the House agreed to the Senate amendment with an amendment incorporating the proviso just read.

Mr. TABER. Mr. Speaker, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from New York.

Mr. TABER. Mr. Speaker, in connection with this amendment, as I understand, it is the same language that the Senate placed in the bill, after conference with the Price Administrator?

Mr. CANNON of Missouri. That is my understanding, and the proviso added by the House allows 60 days of grace within which the Secretary of Agriculture shall take action in compliance with the law on those farm commodities in which ceilings have heretofore been established.

Mr. TABER. I should like to say a word with reference to that situation. I wish to call the attention of the Office of Price Administration, the Committee on Banking and Currency, and those people who are especially interested in the legislation with reference to price administration that section 3 relating to the prices of agricultural commodities sets up a proposal requiring the Secretary of Agriculture to make determinations, but there is no provision whatever which requires this determination to be made within sufficient time so that it can be effective. Unless this section is corrected, and unless it is put in shape so that it is workable, your entire price administration with reference to the items that are covered by section 3—that is, agricultural commodities and commodities first processed from agricultural commodities—is going to be in question; that is, there is going to be a question as to the validity of fixing any price unless the Secretary of Agriculture makes his decision within a reasonable time and within a time that will permit the Price Administrator to operate. If we want it to function this has to be amended.

Mr. CANNON of Missouri. Mr. Speaker, I move the previous question.

The previous question was ordered.

The motion was agreed to and a motion to reconsider was laid on the table.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 17: Page 24, line 18:

**"BOARD OF INVESTIGATION AND RESEARCH—
TRANSPORTATION"**

"Board of Investigation and Research: For an additional amount for the Board of Investigation and Research, fiscal year 1943, including the objects specified under this head in the Third Supplemental National Defense Appropriation Act, 1942, and including not to exceed \$14,000 for the temporary employment of persons or organizations, by contract or otherwise, without regard to section 3709, Revised Statutes, or the civil service and classification law, \$500,000, which amount shall be added to and merged with the unexpended balance, as of June 30, 1942, of the appropriation under said head: *Provided*, That said section 3709, Revised Statutes, shall not apply to any purchase hereunder when the aggregate amount involved does not exceed the sum of \$50."

Mr. CANNON of Missouri. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. CANNON moves that the House recede from its disagreement to the amendment of the Senate No. 17, and agree to the same with an amendment, as follows: In the matter inserted by such amendment, before the word "*Provided*", insert "; and such total amount shall be so used as to complete the studies, investigations, and reports authorized and required by part I, title III, of the Transportation Act of 1940."

Mr. CANNON of Missouri. Mr. Speaker, the Transportation Act of 1940 established a Board of Research and Investigation to make a special study of transportation facilities, including certain rate studies. The life of the Board was limited to 2 years, which would have ended September 18, 1942, unless the President by order should extend its existence for an additional period of 2 years. The President has recently made this extension, and the life of the Board now runs to September 18, 1944. The Board was late in being appointed and organized, more than a year of its first 2 years having passed before it got funds and started work—to date, a total of \$346,500. A budget estimate was submitted for \$272,000 for the fiscal year 1943, which with the unexpended balance on hand of \$143,000 would have given them \$415,000, an amount that would have been insufficient to carry the organization which the Board now has. The Senate increased the amount to \$500,000, which with the amount of the budget estimate would provide a total of \$643,000. The amount of the budget estimate would not have been sufficient to complete the work of the board, and an additional amount would have been required for the fiscal year 1944. The Senate and House managers believe it advisable that the investigation, if it is to have value, should be wound up as rapidly as possible. It will cost no less in the long run. The House managers, therefore, have agreed to recommend that the House concur in the \$500,000 appropriation with an amendment which

will require that the funds shall complete the investigations and reports required to be made by the Transportation Act of 1940.

Mr. Speaker, this motion has the unanimous approval of the managers on the part of the House.

I move the previous question on the motion.

The previous questions was ordered.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment No. 20: Page 30, line 11:

"The appropriations 'Maintenance and operation of air navigation facilities', Office of Administrator of Civil Aeronautics, and 'Salaries and expenses', Weather Bureau, contained in the Department of Commerce Appropriation Act, 1943, shall be available, under regulations to be prescribed by the Secretary of Commerce, for furnishing to employees of the Civil Aeronautics Administration and the Weather Bureau in Alaska free emergency medical services by contract or otherwise and medical supplies, and for the purchase, transportation, and storage of food and other subsistence supplies for resale to such employees, the proceeds from such resales to be credited to the appropriation from which the expenditure for such supplies was made; and appropriations of the Civil Aeronautics Administration and the Weather Bureau contained in said act, available for travel, shall be available for the travel expenses of appointees of said agencies from the point of engagement in the United States to their posts of duty in Alaska."

Mr. CANNON of Missouri. Mr. Speaker, I move that the House recede from its disagreement to the amendment of the Senate numbered 20 and agree to the same.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 25: Page 35, line 15:

"Reduction of zinc concentrates with methane gas (national defense): For all necessary expenses, without regard to section 3709 of the Revised Statutes, for pilot tests on the reduction of zinc concentrates to metal with methane gas, including laboratory research, maintenance and operation of pilot plant; procurement of necessary material and ores; purchase or lease of land or buildings; construction and equipment of buildings to house pilot plant, including engagement by contract or otherwise, at such rates of compensation as the Secretary of the Interior may determine, of engineers, architects, or firms or corporations thereof necessary therefor; supplies and equipment; traveling expenses; not to exceed \$10,000 for personal services in the District of Columbia; not to exceed \$500 for printing and binding; purchase (not to exceed \$1,850) including exchange, operation, maintenance, and repair of passenger-carrying automobiles; special wearing apparel and equipment for the protection of employees while employed; and the purchase in the District of Columbia and elsewhere of other items otherwise properly chargeable to the appropriation, 'Contingent expenses, Department of the Interior'; fiscal year 1943, \$350,000, to remain available until expended: *Provided*, That the Secretary of the Interior is authorized to accept lands, buildings, equipment, and other contributions from public or private sources for the purposes hereof, and to carry out projects in cooperation with other agencies, Federal, State, or private."

Mr. CANNON of Missouri. Mr. Speaker, I move to recede and concur in the Senate amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment No. 30: Page 38, line 16:

"OFFICE OF THE SECRETARY OF STATE"

"Salaries: For an additional amount for salaries, fiscal year 1943, including the objects specified under this head in the Department of State Appropriation Act, 1943, \$320,000, of which \$40,000 is hereby made available, without regard to civil-service and classification laws, for salaries of members and other employees of the Visa Board of Appeals: *Provided*, That salaries may be paid to the members of the Board at a rate not exceeding \$10,000 per annum."

Mr. CANNON of Missouri. Mr. Speaker, I move that the House recede from its disagreement to the amendment of the Senate numbered 30 and concur in the same.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 32: Page 39, line 7:

"Foreign Service, auxiliary (emergency): For an additional amount for Foreign Service, auxiliary (emergency), Department of State, fiscal year 1943, including the objects specified under this head in the Department of State Appropriation Act, 1943, \$1,300,000."

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Pennsylvania.

Mr. RICH. This amendment deals with the Foreign Service of the Department of State. Since so many foreign countries are at war and we have no real foreign service in many of them, what is the object of increasing this to \$1,300,000? What are these offices going to do? Many have been closed. Certainly there ought to be a saving here. It seems to me the State Department should need less funds instead of more.

Mr. CANNON of Missouri. It is due to the additional duties placed upon the Department, duties which are more difficult than ordinary. It is the smallest amount—the minimum—for which the service can be provided.

Mr. RICH. What is the increase over what the amount was a year ago?

Mr. CANNON of Missouri. This is a war expense brought about by so many nations being at war.

Mr. RICH. That is what I am trying to get at. They got additional appropriations a year ago. Now, it is asked that we increase the Foreign Service to \$1,300,000. I cannot see the logic.

Mr. CANNON of Missouri. The State Department has many additional duties placed upon it as the result of the war in connection with the control of exports and in other directions. The gentleman will find full details concerning this item if he will read the Senate hearings.

Mr. RICH. What does the gentleman mean by export control? Does that have anything to do with lease-lend?

Mr. CANNON of Missouri. Nothing whatever.

Mr. RICH. The President has \$65,-500,000,000 now to give to all the nations of the world as he sees fit; yet you are trying to set up a greater organization with these other nations and increasing the size of the staff of these organizations, increasing the duties to be performed in the various countries until now in this bill you ask for \$1,300,000 more. When are we going to have an end to our getting into the affairs of foreign nations?

Mr. CANNON of Missouri. The end will come when peace is declared. War and economy do not go together. As long as we are at war we may expect to have to provide for these additional expenditures.

Mr. RICH. What does the gentleman mean? What end does he mean? Do you mean we are coming to an end of doing business with these foreign countries or do you mean we are coming to an end in our own Nation?

Mr. CANNON of Missouri. When peace is declared these unusual war activities can be discontinued and this expenditure will no longer be necessary.

Mr. RICH. It seems to me that we are meddling too much in the affairs of foreign nations and every time we do we are getting into it deeper and deeper.

Mr. CANNON of Missouri. The present situation is brought about by other nations meddling too much at Pearl Harbor and elsewhere.

The following statement was furnished me by the Secretary of State with respect to the need for this additional amount:

Late in the fiscal year 1941, as a result of the present emergency, the Department found it necessary to establish the Foreign Service Auxiliary to fill the need for additional help in American diplomatic and consular offices primarily in the other American republics. This need arose both from an expansion of the regular activities of the Foreign Service and from the imposition upon it of certain additional duties of an emergency nature for which the Service is not normally staffed. This Service was initiated with an allocation of \$700,000 granted to the Department from the Emergency Fund for the President, and later in the fiscal year 1942 an additional \$200,000 was so allocated. Practically the entire sum of \$900,000 was expended by the end of the fiscal year 1942.

When the estimate for 1943 was prepared for inclusion in the annual Budget the Service was in its initial stage of organization, and the United States had not yet entered the war. The sum requested was \$750,000, and that amount has been appropriated. It is now apparent that not less than \$2,050,000 will be required for expenses of this Service during the fiscal year 1943, which is \$1,300,000 in excess of the funds now available. Since the funds available will not be sufficient even for the first 6 months of the fiscal year, it is felt that a supplemental appropriation should be provided at this time. The reasons for the inadequacy of the present appropriation may be briefly stated as follows:

"1. The estimate was prepared before the Service was fully organized and also before the United States entered the war. Therefore requirements as they exist today could not possibly have been foreseen 1 year ago. Since that time a number of new war agencies have been created and necessity for additional duties has arisen.

"2. When this Service was established it was expected that many of the needs for person-

nel could be supplied by the release of officers and clerks from closed offices in war areas, but it has now developed that the availability of such personnel has been greatly curtailed by requirements for regular personnel for expansion of existing offices and for staffing new offices which have been opened.

"3. The policy adopted by the Department of discontinuing for the duration of the emergency the appointment of career officers from registers of eligibles established through examinations places a greater burden upon the Foreign Service Auxiliary."

The SPEAKER. The question is on the motion offered by the gentleman from Missouri [Mr. CANNON].

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 33: Page 41, line 5, after "\$5 000,000" insert the following: "Provided, That \$74 000 of this appropriation shall be transferred to the emergency fund for the President created by the Independent Offices Appropriation Act, 1942, as amended by the Independent Offices Appropriation Act, 1943, in reimbursement of said appropriation on account of the advance therefrom of a like sum for the purposes hereof."

Mr. CANNON of Missouri. Mr. Speaker, I move that the House recede and concur in the Senate amendment.

Mr. RICH. Will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Pennsylvania.

Mr. RICH. Why is this \$74,000 to be returned to the President? What does he need it for?

Mr. CANNON of Missouri. This agency had a pay day on July 8 and had no money because it is in this bill, which was not a law at that time and the pay roll had to be met. The only source from which it could be conveniently provided was the President's fund. Now, we proceed here to return the amount to the original fund, otherwise the agency would have \$74,000 more than it should, because the money for the July 8 pay roll is in the \$5,000,000 in the bill.

The SPEAKER. The question is on the motion offered by the gentleman from Missouri [Mr. CANNON].

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 37: Page 47, after line 6, insert a new section as follows:

"Sec. 204. No part of the funds appropriated in this act shall be expended to pay the salary of any person hereafter recruited from any other Government department or agency at a rate of compensation greater than that which such person was receiving from the department or agency from which recruited: *Provided*, That this section shall not operate to prevent increases in compensation as provided by the act of August 1, 1941 (Public Law 200)."

Mr. CANNON of Missouri. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. CANNON of Missouri moves that the House recede from its disagreement to the amendment of the Senate numbered 37, and agree to the same with an amendment as follows: In lieu of the matter proposed to

be inserted by such amendment, insert the following:

"Sec. 204. The Civil Service Commission shall forthwith make an investigation of transfers of employees from one executive agency to another (except to the uniformed forces of the United States) for the purpose of studying the cause and effect of such transfers with a view to ascertaining, among other findings, whether practices exist in connection therewith which are not in the public interest. The results of such investigation and study shall be reported to the President of the United States and to the Congress within 60 days after the date of the enactment of this act and shall include such recommendations for administrative action or legislative enactment as the Commission may deem advisable."

Mr. RICH. Will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Pennsylvania.

Mr. RICH. This is to permit one department to take employees from another department that has not any work to do now?

Mr. CANNON of Missouri. No. That practice has been in effect for some time, but it has reached the place where it is felt some action should be taken to regulate it and the Senate inserted a new section in the bill by way of limitation on the funds in the bill prohibiting the transfer of employees from one agency in the bill to another or from an agency not in the bill to one in the bill at a higher rate of compensation.

The amendment aims at some abuse that has grown up during the development of the recruitment of personnel for the war agencies in taking many of the necessary personnel with experience from other agencies. This is a natural operation in a period of shortage of experienced manpower and the war agencies in taking present personnel in other agencies is drawing upon the only reservoir of trained Government employees that exists.

There has also been an insistence on the part of some that instead of bringing new personnel into Washington that use should be made as far as possible of the personnel that is already here in other agencies. This has been done to a large degree and much of the personnel going to the war agencies from regular agencies has gone at higher salaries. This is a proper procedure and is mandatory under the classification laws which are in effect if the employee goes to the performance of more responsible duties and a higher grade of work which calls for a higher pay.

There is, however, undoubtedly, a practice being pursued in some of the war agencies to raid other agencies wherever possible and this without any substantial change in duties. Such practices ought to be stopped.

The provision inserted by the Senate is too drastic and is not based upon full information and facts. It affects only the agencies in this present bill and does not run to the War Department, Navy, Maritime Commission, or other agencies not in the bill which have war duties.

The House managers feel that the Senate provision as it stands ought not to be enacted. Letters received from the Civil Service Commission, the assistant to the President in civilian-personnel matters,

the Chairman of the War Production Board, and other agencies indicate that to enact this amendment as it stands would endanger the recruitment of personnel of important war agencies which need to function expeditiously and efficiently. Most of the war agencies have not reached the peak of their organizations.

The House managers feel that such action as is to be taken should be after assembly of the facts relating to all agencies and for that reason offer the amendment which directs the Civil Service Commission immediately to make a study of the migration of workers from one Federal agency to another and to report the full facts within 60 days both to the President and to Congress with recommendations for administrative and legislative action that may be deemed necessary.

The House managers believe that this is a desirable amendment. If practices exist which are not in the public interest they should be stopped. Bona fide transfers of personnel from one agency to another with distinct changes in duty and the performance of more important work may be necessary and advisable. Any other practices challenge the integrity of the entire Classification Act and are a threat to the entire pay structure of civilian Federal employees. A rapid and thorough examination of the facts and report to Congress and the President will give the bases for prompt and intelligent action.

Mr. RICH. They are going to permit the taking of these employees who are here now from one department, provided the Civil Service Commission agrees that they are capable of filling those positions and permitting these employees to be used in some other department?

Mr. CANNON of Missouri. Yes; and provided economy is brought about thereby.

Mr. RICH. Is there anything to prohibit them from being used in one department or another department?

Mr. CANNON of Missouri. No; nothing in the pending amendment.

Mr. RICH. That is good sound business.

The SPEAKER. The question is on the motion offered by the gentleman from Missouri [Mr. CANNON].

The motion was agreed to.

Mr. CANNON of Missouri. Mr. Speaker, I ask unanimous consent that the next five amendments be considered at one time, inasmuch as they are on the same subject.

The SPEAKER. Is there objection to the request of the gentleman from Missouri [Mr. CANNON]?

Mr. RICH. Mr. Speaker, reserving the right to object, let us see what they do.

Mr. CANNON of Missouri. These amendments all relate to the same subject. They date back to July 1, 1942, the appropriations in the regular bills for 1943 for the Department of the Interior and the State, Commerce, and Justice Departments, which were signed by the President on July 2. They were signed one day after the start of the new fiscal year, therefore in order to

validate the expenditures during that hiatus of one day, we move to accept these amendments.

Mr. RICH. Is that because the bills were not passed?

Mr. CANNON of Missouri. They were passed but were not signed until the second day of the new fiscal year, so that unless we date them back, there will be one day's unauthorized expenditures. This keeps the accounts straight.

The SPEAKER. Is there objection to the request of the gentleman from Missouri [Mr. CANNON]?

There was no objection.

The SPEAKER. The Clerk will report the amendments.

The Clerk read as follows:

Senate amendment No. 38: Page 47, line 15, strike out "204" and insert "205."

Senate amendment No. 39: Page 47, line 17, after "1943", insert the following: "and the appropriations and authority with respect to appropriations contained in the Interior Department Appropriation Act, 1943, and the act making appropriations for the Department of State, the Department of Justice, the Department of Commerce, and the Federal Judiciary for the fiscal year ending June 30, 1943, and for other purposes."

Senate amendment No. 40: Page 48, line 1, strike out "and the date of enactment of this act" and insert "and the respective dates of enactment of this act and such other appropriation acts."

Senate amendment No. 41: Page 48, line 4, before the word "appropriations", insert the word "respective."

Senate amendment No. 42: Page 48, line 6, to strike out "205" and insert "206."

Mr. CANNON of Missouri. Mr. Speaker, I move that the House recede and concur in Senate amendments Nos. 38, 39, 40, 41, and 42.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Pennsylvania.

Mr. RICH. With regard to going back to establish the date as of July 1, it seems to me that if this administration had the opportunity to go back to March 4, 1933, and do over many of the things they have done from that time on, it would be the greatest thing that ever happened to this country because, if there is anything that has torn this country down and got us in a terrible hole, it is a lot of the laws that you have passed in the last 10 years. I do not know how you are ever going to rectify it.

Mr. CANNON of Missouri. Mr. Speaker, I yield myself 2 minutes.

Mr. Speaker, this is the last amendment, and we have now completed final disposition of the last appropriation bill.

This bill, so far as the committee is able to see at this time, completes the making of appropriations for the fiscal year 1943.

It may be necessary from time to time to make some special appropriations by way of joint resolution or special bill to provide funds to carry out special legislation which the Congress may enact and for which no provision was made. This will be done only in such cases as the war emergency may dictate.

So far as a general supplemental appropriation bill is concerned the com-

mittee does not expect that it will be necessary to undertake one before early fall. However, we are engaged in a world-wide conflict which is at its most critical stage. If by any chance it should become necessary to provide additional funds or to alter the course and purpose of funds already provided for our armed forces and the supplemental war agencies the committee will be ready to respond to any emergency action that is considered necessary.

The appropriations made at this session of Congress are the largest ever made by any parliamentary body in the history of the world. Commencing with the session which started on January 3 last, a total slightly in excess of \$138,000,000,000 has been appropriated in the regular bills, supplemental and deficiency bills, and special bills emanating from the Committee on Appropriations. These sums cover supplemental amounts for the fiscal year 1942 for the period commencing in January and ending in June and the amounts for the fiscal year 1943 which have been requested to date. If there be added to this sum the amounts under the permanent appropriations under general and special accounts, including interest on the public debt, the total exceeds \$140,000,000,000. As soon as the data is prepared, I shall insert in the RECORD a statement giving those amounts more in detail, and for that purpose, Mr. Speaker, I now ask unanimous consent that I may be permitted to extend my remarks in connection with the work of the Appropriations Committee and the Congress in the making of appropriations and to include therewith such tables, compilations, and other data and information that may be pertinent thereto.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. CANNON of Missouri. Mr. Speaker, I ask unanimous consent that all Members speaking on this bill today be permitted to revise and extend their remarks.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

The SPEAKER. The question is on the motion offered by the gentleman from Missouri.

The motion was agreed to.

Mr. CANNON of Missouri. Mr. Speaker, I move to reconsider all votes by which action was taken on the several motions and to lay that motion on the table.

The motion was agreed to.

EXTENSION OF REMARKS

Mr. TABER. Mr. Speaker, I ask unanimous consent that on Wednesday and Thursday next I may be permitted to extend my own remarks in the RECORD and include therein certain tables I have prepared.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

nothing about that. Let me say that the rule of the House is entirely different from any rule we have in the Senate; in fact we have no rule in the Senate; and as I understand the matter, the question is solely whether the Senate considers that the public interest will be served by the payment of fair and reasonable expenses and attorney fees in a case of this kind. We can if we so desire refuse to pay any fees at all.

As the chairman of the subcommittee of the Privileges and Elections Committee I had quite a good deal to do with the Langer hearings, and I know that the attorneys were exceedingly busy and diligent. They were present day after day in the public hearings. They also appeared before the committee in the beginning, when we were attempting to find out what pleadings were necessary as the case arose merely upon the protest of citizens of North Dakota. We were in the early stages of the case somewhat in the dark as to how we should proceed.

Mr. CONNALLY. Mr. President, will the Senator yield?

Mr. LUCAS. I yield to the Senator from Texas.

Mr. CONNALLY. Notwithstanding my view that the fees in this instance are rather large and that there should be some limitation, I think it is due the attorneys on both sides of the Langer case to say that the matter was handled very diligently and very capably and that the lawyers did render a distinct service.

Mr. NORRIS. I am not questioning that at all.

Mr. CONNALLY. I understand the Senator is not; but I say I feel it is due the lawyers in that case to say that, while I think there were more lawyers than were needed, yet they were very diligent and very capable. They knew the legal questions, and had briefed them, and presented some very illuminating arguments on the various points involved.

Mr. NORRIS. Of course, we recognize, too, that the reputation of the lawyers employed differs in degree. One attorney employed in the Langer case, as Senators all know, served in the Senate for 6 years, and I presume, with the reputation he had as an attorney, he could command a fee probably larger than has been suggested in this case. I should like, however, to submit to the Senate that I do not think we can afford, in the public interest, to let the word go out that the Senate is going to pay attorneys' fees in accordance with the reputation attorneys may have throughout the Nation. We all recognize that former Senator Burke had a reputation, and deservedly so, as a very able lawyer.

Mr. CONNALLY. And former Senator Hardwick, of Georgia, also.

Mr. NORRIS. Yes; some of the other attorneys probably did more work but did not have that kind of reputation, yet when they are hired for professional work, of course, they must be paid for their services. If, however, the Senate lets the word go out that it is going to pay attorneys large fees, we will face a situation, I think, in the way of contests that will bring a good many surprises in the way of expenses. It will become so attractive that it will pay every unsuc-

cessful candidate for the Senate to commence a contest. He can get a lawyer of the best reputation, who can make a good case on paper every time, and put up a good showing, no matter how one-sided the election may have been. So it seems to me that the public necessity requires that we do something like the House has done. An inflexible rule does not always result in justice. I realize that conditions vary in different cases. In one case it would be justifiable to take more time, greater difficulties would arise, and it would be necessary to have attorneys employed for a longer period than in others. Still, it seems to me that the Senate should establish a precedent that will not make it attractive for contests to be commenced by attorneys who, regardless of the outcome, will make a good thing out of it.

Mr. LUCAS. Mr. President, I certainly agree with the Senator from Nebraska on the premise laid down. The only difficulty is in finding an equitable formula that will meet the situation. I read a moment ago that the Vare case cost \$163,000. In that case the lawyers, no doubt, were engaged for many more days than in other cases. So we might have to place the compensation allowed on a per diem basis rather than to allow a specific sum, as is the rule in the House. It seems to me we might be able to work it out in that way, but there is a distinct difference between what might happen in a case in the other House affecting a contest in one district and what might happen in the Senate in a contested case involving a large State, such as Pennsylvania or Illinois, where so many ballots are cast.

Mr. GREEN. Mr. President, in view of what the Senator from Nebraska has said, I should like to make a few comments. In the first place, I want it distinctly understood for the RECORD that I have expressed this opinion and taken this position simply because I happen to be chairman of the Committee on Privileges and Elections: It is not my personal views I am expressing but the views of the committee. If I were expressing my personal views, I should agree almost wholly with the remarks made by the Senator from Nebraska.

I think we are threatened with a real evil. If we should make the contesting of elections too attractive, a great many lawyers, I am sorry to say, would be willing to undertake a contest in any election. There is always something to be said on both sides, and one is always justified in presenting his side. If we establish a per diem basis, the longer the case is drawn out the larger the fees which may result.

I think it is very desirable to establish some rule, and no rule has been established. We are not making a precedent in this case; this is not a precedent; it is only one more case in the list of precedents. It would be more correct to say there are numerous precedents; there is no uniformity in the standards or the amounts that should properly be paid. The committee has discussed this matter since I have been chairman. We believe that some effort should be made to establish a rule for the future.

I may say, further, in extenuation of the large amounts, perhaps too large, that the committee has cut practically in two the amount claimed by the attorneys; and, furthermore, they have disallowed a claim put in by Senator LANGER himself for his own expenses in connection with the case, in addition to the amount that I have read to the Senate already this morning. So the committee has exercised some discretion in the allowance of fees.

Furthermore, I may say also for the RECORD, that although I am chairman of the committee and represent the committee here today, I did not represent the committee as chairman in connection with the preliminary proceedings in the trial of this case. The Senator from Texas [Mr. CONNALLY] was chairman of the committee for a long time, and afterward the Senator from New Mexico [Mr. HATCH] was chairman. It was only just before the report was made to the Senate that I became chairman of the committee.

I made the report, and, as Senators remember, the Senate disapproved the report and recommendations of the committee in that instance, and it may well disregard the report of the committee in this instance also. If so, as chairman of the committee I shall make no complaint whatever.

Mr. NORRIS. Mr. President, I wish to suggest an amendment to the resolution, but it seems to be rather difficult to amend it. I do not know exactly how much of the \$16,500 is for expenses and how much is for attorneys' fees, but as I understand, \$500 is admittedly for the expenses, and \$16,000 for the attorneys' fees.

Mr. LUCAS. I think that is correct.

Mr. NORRIS. Unless we redraft the resolution, the change I desire to have made could probably be reached by striking out the period and inserting a colon and the following proviso:

Provided, That the amount allowed for attorneys' fees shall not exceed \$5,000 for each side.

If such an amendment were agreed to, we could change the \$16,000 in line 18 so as to make it accord with the amendment.

The PRESIDING OFFICER (Mr. SMATHERS in the chair). The question is on agreeing to the amendment offered by the Senator from Nebraska.

Mr. DOWNEY. Mr. President, the argument of the distinguished Senator from Nebraska proceeds principally upon the ground of public policy—that it should be the disposition of the Senate to strictly limit attorneys' fees in such cases, regardless of the amount of services involved.

As I understand, election contests have occurred from time to time in the history of the Senate, and there have been many such cases. The fees generally allowed have been very much larger than the fee here involved, and I do not believe there is anything in the record of the contests in the Senate to indicate that the granting of any fee, however large it may have been—and generally they have been much larger than the one under consideration—has induced subsequent con-

tests. As a matter of fact, no contests have been filed during the last decade or so. I understand, except the one we are now considering, and one arising over the dispute between a Senator and his opponent from the State of West Virginia, in which a fee of \$2,000 was paid. Many fees have been allowed which were larger than the fee now under consideration. If we take the position that we are going to limit fees in order to limit contests, such a position can logically be assumed only if we are to pay some amount, regardless of the value of the services rendered.

Mr. President, I think the only question properly to be decided by the Senate is whether or not, judged upon a fair basis, \$8,000 is a reasonable attorney's fee. If it is, I think that, with a view to maintaining the dignity and prestige of the United States Senate, it could safely afford to pay such a fee without any danger of provoking litigious contests started so that some attorney might make a fee. If, on the other hand, the fee suggested is too large, then, of course, it should not be paid.

I must frankly state to the distinguished Senator from Nebraska that before I vote upon the amendment or upon the resolution before the Senate, I should like to have better evidence offered as to whether or not a fee of \$8,000 to each side would be fair, proper, and reasonable.

Mr. President, let me repeat: I cannot agree with the distinguished Senator from Nebraska that the allowance in this case of \$8,000 to each side will provoke additional and unnecessary contests. Contests have been proceeding for perhaps 150 years. So far as I know, an argument like the one now presented has not been made before, and certainly the facts of the contest under consideration do not justify it.

Mr. McKELLAR. Mr. President, may I ask the Senator how long this discussion is likely to proceed? I should like to present a conference report, which will take only 2 or 3 minutes. It is very short.

Mr. NORRIS. I have no objection to proceeding with the consideration of the conference report. I do not wish to delay it, of course. So far as I am concerned, there is no objection.

Mr. McKELLAR. I ask unanimous consent to proceed with the consideration of the conference report.

Mr. McNARY. Mr. President, will the Senator from Illinois consent to the resolution being restored to the calendar, there to remain in its original status? It would not come up until some later date, on a call of the calendar, unless some Senator moved to have it considered. I think we should have an opportunity to look further into the matter. I should like to have an opportunity to confer with the Senator from North Dakota. Therefore I should like to have the resolution go back on the calendar.

Mr. LUCAS. I have no objection to the resolution going back to the calendar, and remaining on the calendar so long as it is desired to keep it there.

Mr. McNARY. I ask unanimous consent that the resolution be returned to the calendar.

Mr. LUCAS. Before unanimous consent is granted, let me say to the Senator from Oregon that the attorneys concerned were engaged in the contest for a considerable length of time, and they were put to much expense. They have not yet been reimbursed, and many of them have been anxious to make final disposition of the matter as soon as possible, and I do think we should reach a decision at an early date.

One of my reasons for submitting some time ago the complete record as to what the subcommittee did in connection with this matter was that the Senators might read the Record, as I know all do every morning, in order that they might be informed about the facts. I do not have any objection to the resolution going back on the calendar, but I hope we can dispose of it sometime in the very near future.

Mr. McNARY. Mr. President, I am not disposed to delay the payment of these lawyers for the services rendered. I thought that perhaps it would be well to have opportunity given for further study, but if the Senator in charge of the resolution desires to have it go forward today, I shall not interfere.

Mr. LUCAS. We have gone this far with it, and I doubt if many more arguments are to be made; but if the Senator desires to confer with the Senator from North Dakota about the matter, it is satisfactory to me that the resolution go over. The Senator from North Dakota had some objection to this fee in the beginning.

As I understand, he could not make the proper arrangements with his attorneys on how the split should be made, and because of that fact he asked that the resolution be withheld for some time, and I gladly consented that that be done. I have a copy of a telegram on my desk, which was sent to one of his lawyers, in which the Senator from North Dakota says he has the arrangements all made for a satisfactory distribution of the lawyers' fees, and he is ready for the resolution to be adopted by the Senate. That is why I presented it today. The Senator from North Dakota is apparently satisfied, and if he is satisfied, everyone also should be.

Mr. McNARY. Mr. President, I repeat that I do not want to attempt to take away from the able Senator from Illinois the decision in this matter. If he wishes to proceed, I shall withdraw my request. I withdraw my request for unanimous consent so that the resolution may continue before the Senate for action.

Mr. LUCAS. Mr. President, on second thought I am convinced that the Senator from Oregon [Mr. McNARY], the able minority leader, is correct in his suggestion. I now ask unanimous consent that further consideration of the resolution be postponed.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the further consideration of the resolution is postponed.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Swanson, one of its clerks, announced that the House had

agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 6071) to grant a preference right to certain oil and gas lessees.

The message also announced that the House had agreed to House Concurrent Resolution No. 79, in which it requested the concurrence of the Senate, as follows:

Resolved by the House of Representatives (the Senate concurring), That the Clerk of the House is authorized and directed in the enrollment of the bill (H. R. 6999) an act to promote the national defense and to promptly facilitate and protect the transport of materials and supplies needful to the Military Establishment by authorizing the construction and operation of a pipe line and a navigable barge channel across Florida, and by deepening and enlarging the Intracoastal Waterway from its present eastern terminus to the vicinity of the Mexican border, to enroll Senate amendment No. 3 to said bill as follows:

"Page 2, lines 15 and 16, after 'advisable', strike out down to and including '\$86,000,000,' on page 3, line 8, and insert: 'And provided further, That subject to the provisions of Public Law 197, Seventy-seventh Congress, there is authorized to be constructed one or more pipe lines, together with all necessary terminal facilities, for the transport of petroleum and its products, from the vicinity of Port St. Joe and other points on the Gulf coast of Florida to the St. Johns River, and a crude-oil pipe line from the Tinsley Oil Field in the vicinity of Yazoo, Miss., to Charleston, S. C., and/or Savannah, Ga.

"Sec. 2. There is hereby authorized to be appropriated the sum of \$93,000,000 to carry out the provisions of this act."

FIRST SUPPLEMENTAL NATIONAL DEFENSE APPROPRIATIONS—CONFERENCE REPORT

Mr. McKELLAR submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 7319) making supplemental appropriations for the national defense for the fiscal year ending June 30, 1943, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 3, 4, 9, 18, and 24.

That the House recede from its disagreement to the amendments of the Senate numbered 2, 5, 6, 10, 13, 19, 21, 22, 23, 26, 27, 28, 29, 31, 34, 35, and 36; and agree to the same.

Amendment numbered 7: That the House recede from its disagreement to the amendment of the Senate numbered 7, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "\$272,481,890"; and the Senate agree to the same.

Amendment numbered 8: That the House recede from its disagreement to the amendment of the Senate numbered 8, and agree to the same with an amendment, as follows: Restore the matter stricken out by said amendment, amended to read as follows:

"(b) The head of any constituent agency may delegate to any official in such agency or in the field offices of the Division of Central Administrative Services the authority to make appointments of personnel and he may also delegate to any official in the agency of which he is the head the authority to make other determinations necessary for the conduct of the administrative management within such agency."

And the Senate agree to the same.

Amendment numbered 11: That the House recede from its disagreement to the amend-

ment of the Senate numbered 11, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "\$120,000,000"; and the Senate agree to the same.

Amendment numbered 12: That the House recede from its disagreement to the amendment of the Senate numbered 12, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "\$120,000,000"; and the Senate agree to the same.

Amendment numbered 14: That the House recede from its disagreement to the amendment of the Senate numbered 14, and agree to the same with an amendment, as follows: Restore the matter stricken out by said amendment, amended to read as follows: "nor to prevent the furnishing in confidence to the War Department, the Navy Department, or the United States Maritime Commission, such data and information as may be requested by them for use in the performance of their official duties"; and the Senate agree to the same.

Amendment numbered 15: That the House recede from its disagreement to the amendment of the Senate numbered 15, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following: "Provided further, That no part of this appropriation shall be available for making any subsidy payments"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 1, 16, 17, 20, 25, 30, 32, 33, 37, 38, 39, 40, 41, and 42.

KENNETH MCKELLAR,
CARTER GLASS,
CARL HAYDEN,
RICHARD B. RUSSELL,
GERALD P. NYE,

Managers on the part of the Senate.

CLARENCE CANNON,
C. A. WOODRUM,
LOUIS LUDLOW,
J. BUELL SNYDER,
EMMET O'NEAL,
GEO. W. JOHNSON,
LOUIS C. RABAUT,
JED JOHNSON,

Managers on the part of the House.

The report was agreed to.

The PRESIDING OFFICER laid before the Senate a message from the House of Representatives announcing its action on certain amendments of the Senate to House bill 7319, which was read, as follows:

That the House recede from its disagreement to the amendment of the Senate numbered 17 and agree to the same with an amendment as follows:

In line 13 of the matter inserted by said Senate engrossed amendment, after "head", insert "; and such total amount shall be so used as to complete the studies, investigations, and reports authorized and required by part 1, title III, of the Transportation Act of 1940"; and

That the House recede from its disagreement to the amendment of the Senate numbered 37 to said bill and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment insert:

"Sec 204. The Civil Service Commission shall forthwith make an investigation of transfers of employees from one executive agency to another (except to the uniformed forces of the United States) for the purpose of studying the cause and effect of such transfers with a view to ascertaining, among other findings, whether practices exist in connection therewith which are not in the public interest. The results of such investigation and study shall be reported to the President of the United States and to the Congress within 60 days after the date of the enact-

ment of this act and shall include such recommendations for administrative action or legislative enactment as the Commission may deem advisable."

IN THE HOUSE OF REPRESENTATIVES,
July 20, 1942.

Resolved, That the House recede from its disagreement to the amendments of the Senate numbered 1, 20, 25, 30, 32, 33, 38, 39, 40, 41, and 42 to the bill (H. R. 7319) making supplemental appropriations for the national defense for the fiscal year ending June 30, 1943, and for other purposes, and concur therein;

That the House recede from its disagreement to the amendment of the Senate numbered 16 to said bill and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment insert: "Provided further, That no part of this appropriation shall be used to enforce any maximum price or prices on any agricultural commodity or any commodity processed or manufactured in whole or substantial part from any agricultural commodity unless and until (1) the Secretary of Agriculture has determined and published for such agricultural commodity the prices specified in section 3 (a) of the Emergency Price Control Act of 1942; (2) in case of a comparable price for such agricultural commodity, the Secretary of Agriculture has held public hearings and determined and published such comparable price in the manner prescribed by section 3 (b) of said act; and (3) the Secretary of Agriculture has determined after investigation and proclaimed that the maximum price or prices so established on any such agricultural commodity will reflect to the producer of such agricultural commodity a price in conformity with section 3 (c) of said act: *Provided further*, That in the case of a maximum price or maximum prices heretofore established the provisions of the foregoing proviso shall not apply until the expiration of 60 days after the date of enactment of this act."

Mr. MCKELLAR. Mr. President, I move to concur in the amendments of the House to the amendments of the Senate numbered 16, 17, and 37, and I wish to explain what the amendments are.

Amendment numbered 16 relates to the prices of agricultural commodities, under the Office of Price Administration. The House accepted the language of the Senate but inserted the following proviso:

Provided further, That in the case of a maximum price or maximum prices heretofore established the provisions of the foregoing proviso shall not apply until the expiration of 60 days after the date of the enactment of this act.

According to the House rules, this amendment was legislation and had to be taken back to the House, but our committee really agreed to this proviso, and for that reason I am now making a motion to concur in the amendment of the House.

Mr. McNARY. Mr. President, from the mere reading of the modification I do not understand its application to the amendment adopted by the Senate.

Mr. MCKELLAR.. It would give the Administration 60 days in which to make the necessary investigations and the necessary reports as to these prices.

I move that the Senate concur in the amendment of the House to the amendment of the Senate numbered 16.

The motion was agreed to.

Mr. MCKELLAR. Amendment numbered 17 relates to the Board of Investi-

gation and Research—Transportation. The House accepted the Senate amendment with an amendment. The amendment inserted in the Senate read as follows:

BOARD OF INVESTIGATION AND RESEARCH—
TRANSPORTATION

Board of Investigation and Research: For an additional amount for the Board of Investigation and Research, fiscal year 1943, including the objects specified under this head in the Third Supplemental National Defense Appropriation Act, 1942, and including not to exceed \$14,000 for the temporary employment of persons or organizations, by contract or otherwise, without regard to section 3709, Revised Statutes, or the civil service and classification law, \$500,000, which amount shall be added to and merged with the unexpended balance, as of June 30, 1942, of the appropriation under said head: *Provided*, That said section 3709, Revised Statutes, shall not apply to any purchase hereunder when the aggregate amount involved does not exceed the sum of \$50.

That was the provision for interarea or interterritorial rate examinations. The House has amended the amendment by adding this language:

And such total amount shall be so used as to complete the studies, investigations, and reports authorized and required by part I, title III, of the Transportation Act of 1940.

It was estimated that it would take about the sum allowed, and the Commission was asking for \$5,000 as a sufficient amount with which to complete the investigations. The House has required that the service be performed, and I think the amendment should be concurred in. I therefore move to concur in the House amendment to the amendment of the Senate.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. MCKELLAR. I yield.

Mr. BARKLEY. This is a provision similar to that which was discussed a few days ago in connection with the Office of Price Administration, and which the Senator from Missouri [Mr. CLARK] unsuccessfully attempted to have eliminated from the bill then under consideration.

Under the law creating the Board of Research and Investigation in regard to transportation systems, the Board was created to exist for a period of 2 years, with authority given the President to extend its life for 2 additional years. There was considerable delay in the appointment of the Board; several months elapsed before the Board was appointed and became organized so that it could function. It was obvious that it could not complete its work within the first 2 years provided by the law. The President has already issued the order extending for 2 years more the life of this Board. The extension period will begin in September of this year and will run until September 1944. He did that on the theory that it was necessary to take that time in order to complete the studies to be made by this Board.

The provision adopted by the House certainly cannot bind any future Congress, and it cannot even bind the present Congress, as every Senator knows,

because before the expiration of the 1-year period for which this appropriation is made, if Congress sees fit to appropriate more money it can do so. I do not see why the House insists on putting language of this kind into the bill as if it had any meaning or any effect. It may be designed to try to convince boards or agencies that they must not come to Congress in the future and ask for deficiency appropriations. Certainly it would have no effect on an appropriation made for the Board for the fiscal year 1944.

With that understanding I shall raise no objection to the language. I had a little something to do with the legislation which created this board, which was contained in the Transportation Act, and which came out of the Committee on Interstate Commerce. The Senator from Tennessee [Mr. McKELLAR] and I, coming from the region which we do, know how important it is to bear in mind the question of rate discrimination, and all the things which enter into the equal treatment of certain sections of the country with respect to freight rates.

I shall not raise any question about the amendment, but I want it understood that the way I, at least, interpret it—which does not bind any one else—it does not restrict the Congress in the future in allowing appropriations sufficient to enable the board to function during the whole 2-year period for which the President has extended its life.

Mr. McKELLAR. Mr. President, the Senator is undoubtedly correct with respect to the legal aspects of the matter. The House felt, however, in agreeing to the larger sum, that this statement should be made, which is made for the purpose of persuasion.

Mr. BARKLEY. Mr. President, I can understand how the House felt, because the House did not give the Board anything.

Mr. McKELLAR. That is true. For that reason I think we had better accept the amendment, and I believe the Board will make a full report within the amount of money provided. Therefore I move the adoption of the House amendment to the Senate amendment No. 17.

The PRESIDING OFFICER (Mr. SMATHERS in the chair). The question is on agreeing to the motion of the Senator from Tennessee.

The motion was agreed to.

Mr. McKELLAR. Mr. President, I wish to explain the next and last item, the House amendment to Senate amendment numbered 37, with reference to the transfers of personnel from one Federal agency to another. We found that Federal agencies were competing with one another with respect to employees; that the representative of one agency would go to another agency where he would find a clerk or an official he wanted, and offer a very much larger sum to get that official or clerk away from the other agency. The Senate therefore placed this language in its bill:

No part of the funds appropriated by this act shall be expended to pay the salary of any person hereafter recruited from another Government department or agency at a rate of compensation greater than that which

such person was receiving from the department or agency from which recruited: *Provided*, That this section shall not operate to prevent increases in compensation as provided by the act of August 1, 1941.

Mr. President, to my very great regret the House has stricken out that language and substituted the following:

SEC. 204. The Civil Service Commission shall forthwith make an investigation of transfers of employees from one executive agency to another—except to the uniformed forces of the United States—for the purpose of studying the cause and effect of such transfers with a view to ascertaining, among other findings, whether practices exist in connection therewith which are not in the public interest. The results of such investigation and study shall be reported to the President of the United States and to the Congress within 60 days after the date of the enactment of this act and shall include such recommendations for administrative action or legislative enactment as the Commission may deem advisable.

The result of that amendment is to postpone action in this matter for 60 days. The report to be made in 60 days. Therefore, it defers this matter for 60 days. I should very much have preferred that the House had agreed to the Senate provision, but under the circumstances it seems to me we should not delay the passage of the bill because of such an amendment. Therefore, I move that the Senate agree to the House amendment to Senate amendment numbered 37.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Tennessee.

The motion was agreed to.

Mr. McKELLAR. As I understand, that completes legislative action on the bill?

The PRESIDING OFFICER. The Senator is correct.

Mr. DANAHER subsequently said: Mr. President, I had several times sought recognition while the Senator from Tennessee [Mr. McKELLAR] was explaining the conference report on House bill 7319. I wish to invite his attention to Senate amendment numbered 14. The Senate had stricken from the House bill the language which would have authorized the Office of Price Administration to furnish to any executive agency of the Government the data and information collected by the Office of Price Administration on its Forms A and B. I notice in the conference report that the House conferees have prevailed upon the Senate conferees to accept a provision reading as follows:

Nor to prevent the furnishing in confidence to the War Department, the Navy Department, or the United States Maritime Commission such data and information as may be requested by them for use in the performance of their official duties.

Mr. McKELLAR. Yes; Mr. President, that was agreed to in conference, and has now been agreed to by both Houses.

Mr. DANAHER. But the Office of Price Administration will still be forbidden by the terms of the Price Control Act from furnishing such confidential data to any other Government agency. Is that not true?

Mr. McKELLAR. That is true.

Mr. DANAHER. And, insofar as data is authorized to be extended to the War Department, the Navy Department, or the United States Maritime Commission, it is to be used only by them in the performance of their official duties?

Mr. McKELLAR. That is true. The Senator will notice that the provision specifically states:

For use in the performance of their official duties.

Mr. DANAHER. Is it not the fact, as the Senator recalls, that in the War Powers Act we have already given each of those departments the power to audit any and all contracting companies?

Mr. McKELLAR. That is true.

Mr. DANAHER. So that this authorization would simply supplement existing law in these particulars?

Mr. McKELLAR. That was the view of the committees of both the House and the Senate.

Mr. DANAHER. I thank the Senator.

REVENUE ACT OF 1942

Mr. GEORGE. Mr. President, there is on the desk the Revenue Act of 1942, which I ask be referred to the Finance Committee.

The bill (H. R. 7378) to provide revenue, and for other purposes, was read twice by its title and referred to the Committee on Finance.

Mr. GEORGE. Mr. President, I wish to make the following announcement with respect to hearings on the bill:

The Secretary of the Treasury and his staff will appear before the committee on Thursday morning next, July 23, and the open hearings will begin on that day. It is not probable that the committee will be in session longer than Thursday and perhaps a part of Friday of this week. On the following Monday, and thereafter as long as it may be necessary to continue in open session, taxpayers and others desiring to be heard will be heard by the Finance Committee. If it is the pleasure of the Finance Committee, it is expected that we will not have hearings on Saturdays, and will so arrange our calendar as to be able to recess on Fridays about 1 o'clock. Under this arrangement, Mr. President, I may say that an examination of those who have applied for the privilege of appearing before the committee would indicate that we might be able to conclude public hearings within 2 weeks, and thereafter have the remaining 2 weeks of August for executive consideration of the bill. If our hopes mature in this regard, the bill should be on the floor of the Senate by the beginning of the first week in September.

FLORIDA PIPE LINE AND BARGE CANAL

The PRESIDING OFFICER (Mr. SMATHERS in the chair) laid before the Senate House Concurrent Resolution 79, which was read, as follows:

Resolved by the House of Representatives (the Senate concurring), That the Clerk of the House is authorized and directed in the enrollment of the bill (H. R. 6999) an act to promote the national defense and to promptly facilitate and protect the transport of materials and supplies needful to the Military Establishment by authorizing the construction and operation of a pipe line and a navigable barge channel across Florida, and

[PUBLIC LAW 678—77TH CONGRESS]

[CHAPTER 524—2D SESSION]

[H. R. 7319]

AN ACT

Making supplemental appropriations for the national defense for the fiscal year ending June 30, 1943, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the national defense for the fiscal year ending June 30, 1943, and for other purposes, namely:

TITLE I—GENERAL APPROPRIATIONS

LEGISLATIVE

SENATE

For an amount required to increase the salaries of three laborers in the Office of the Secretary from \$1,380 to \$1,440 each, fiscal year 1943, \$180, effective July 1, 1942.

JUDICIARY

DISTRICT COURT, PANAMA CANAL ZONE

Salaries: For an additional amount for salaries, District Court, Panama Canal Zone, \$2,250.

EXECUTIVE OFFICE OF THE PRESIDENT

EMERGENCY FUND FOR THE PRESIDENT

Emergency fund for the President: To enable the President, through appropriate agencies of the Government, to provide for emergencies affecting the national security and defense and for each and every purpose connected therewith, and to make all necessary expenditures incident thereto for any purpose for which the Congress has previously made appropriation or authorization and without regard to the provisions of law regulating the expenditure of Government funds or the employment of persons in the Government service, such as section 3709 of the Revised Statutes and the civil service and classification laws; and any waiver hereunder of the provisions of any law regulating such expenditure or such employment shall not be exercised by any agency unless the allocation to such agency or subsequent action of the President in connection therewith permits any such waiver to be availed of; \$100,000,000: *Provided*, That in a total amount of not exceeding \$25,000,000 and within the purposes provided for in this paragraph, the President may authorize the expenditure of sums from this appropriation for objects of a confidential

nature and in any such case the certificate of the expending agency as to the amount of the expenditure and that it is deemed inadvisable to specify the nature thereof shall be deemed a sufficient voucher for the sum therein expressed to have been expended: *Provided further*, That the foregoing appropriation and the foregoing limitation upon the amount which may be expended for objects of a confidential nature, are hereby respectively merged with the appropriation and with the limitation for the same purpose under this head in the Third Supplemental National Defense Appropriation Act, 1942: *Provided further*, That the President shall transmit to Congress, on or before January 10, 1944, a report of the expenditures from such total appropriation.

BOARD OF ECONOMIC WARFARE

Salaries and expenses: For all expenses necessary to enable the Board of Economic Warfare to carry out its functions and activities, including salaries of an Executive Director at \$10,000 per annum and four assistants to the Executive Director at \$9,000 per annum; personal services (including aliens) in the District of Columbia and elsewhere; the acceptance and utilization of voluntary and uncompensated services; the temporary employment of persons or organizations by contract or otherwise without regard to the civil-service and classification laws or section 3709 of the Revised Statutes; procurement of necessary services, supplies, and equipment without regard to section 3709, Revised Statutes, for use (1) outside the continental limits of the United States, including the rental of office space, and (2) within the United States when the aggregate amount involved in any one case does not exceed \$300; traveling expenses, including (1) expenses of attendance at meetings of organizations concerned with the work of the Board, (2) actual transportation and other necessary expenses, and not to exceed \$10 per diem in lieu of subsistence of persons serving while away from their homes without other compensation from the United States, in an advisory capacity to the Board, (3) payment to the Chairman and the Executive Director of the Board of actual and necessary transportation, subsistence, and other expenses incidental to the performance of their duties, and (4) expenses outside the United States without regard to the Standardized Government Travel Regulations and the Subsistence Expense Act of 1926, as amended, or any limitation of law or regulation governing the payment of transportation and subsistence to military or naval personnel, and section 901 of the Act of June 29, 1936 (49 Stat. 2015); transfer of household goods and effects as provided by the Act of October 10, 1940 (54 Stat. 1105); preparation and transportation of the remains of officers and employees who die abroad or in transit, while in the dispatch of their official duties, to their former homes in this country or to a place not more distant for interment, and for the ordinary expenses of such interment; purchase and exchange of law-books and books of reference; the rental of news-reporting services; the purchase of, or subscription to, commercial and trade reports, newspapers, and periodicals; the purchase or rental of typewriters, adding machines, and other labor-saving devices, and the repair and exchange of same; the purchase, exchange, maintenance, operation, repair, and hire of motor-propelled or horse-drawn passenger-carrying vehicles; and printing and binding, \$12,000,000, of which amount

such sums as may be authorized by the Director of the Bureau of the Budget may be transferred to other departments or agencies of the Government for the performance by them of any of the functions or activities for which this appropriation is made: *Provided*, That no other agency of the Government shall perform work or render services for the Board of Economic Warfare, whether or not the performance of such work or services involves the transfer of funds or reimbursement of appropriations, unless authority therefor by the Bureau of the Budget shall have been obtained in advance: *Provided further*, That not to exceed \$500,000 of this appropriation shall be available to meet emergencies of a confidential character to be expended under the direction of the Executive Director, who shall make a certificate of the amount of such expenditure which he may think it advisable not to specify, and every such certificate shall be deemed a sufficient voucher for the amount therein certified.

Payments for articles and materials requisitioned: For the purpose of making payments to the owners thereof for articles and materials requisitioned under authority of the Acts of October 10, 1940 (54 Stat. 1090), and October 16, 1941 (Public Law 274), the unexpended balance as of June 30, 1942, of the fund consisting of (1) the allocation of \$200,000 to the Economic Defense Board from the emergency fund for the President by letter of November 26, 1941, and (2) the receipts credited to said appropriation by the Act of October 10, 1940, and reallocated for the same purpose by said letter of allocation, is hereby continued available to the Board of Economic Warfare for the fiscal year 1943: *Provided*, That receipts of the sales of articles requisitioned by said Board under authority of said Act of October 16, 1941, shall be deposited to the credit of this fund and be immediately available for the purposes thereof.

OFFICE OF CENSORSHIP

Salaries and expenses: For all expenses necessary to enable the Office of Censorship to perform the functions and duties prescribed by the President, including personal services in the District of Columbia and elsewhere; the employment of aliens as examiners or translators; the employment of a Director and a Deputy Director at not exceeding \$10,000 and \$9,000 per annum respectively; the acceptance and utilization of voluntary and uncompensated services; not to exceed \$20,000 for temporary employment, without regard to civil-service and classification laws; expenses of attendance at meetings of organizations concerned with the work of the Office; traveling expenses, including not to exceed \$10 per diem in lieu of subsistence and other expenses of persons serving as advisers while away from their homes without other compensation from the United States; transfer of household goods and effects as provided by the Act of October 10, 1940; printing and binding; hire, maintenance, and repair of automobiles; purchase of guard uniforms, lawbooks, books of reference, newspapers, periodicals, rubber gloves, aprons, and other items necessary for protection of clothing from chemicals, \$26,500,000: *Provided*, That section 3709 of the Revised Statutes shall not be construed to apply to any purchase made by or service rendered for the Office of Censorship when the aggregate amount involved in such case does not exceed \$100 in the continental United States and \$500 outside the continental limits.

OFFICE FOR EMERGENCY MANAGEMENT

PAR. 1. For all necessary expenses of the constituent agencies of the Office for Emergency Management in paragraphs 2 to 12, inclusive, in performing their respective functions and activities, without regard to section 3709, Revised Statutes (except as otherwise specified herein), including (in addition to the objects specified respectively under each head) personal services in the District of Columbia and elsewhere; contract stenographic reporting services; lawbooks, books of reference, newspapers and periodicals; printing and binding; procurement of supplies and equipment, including typewriters, adding machines and other labor-saving devices and their repair and exchange; purchase and exchange, maintenance, operation, and repair of passenger-carrying automobiles, trucks, station wagons, and motorcycles; transfer of household goods and effects as provided by the Act of October 10, 1940; acceptance and utilization of voluntary and uncompensated services; and traveling expenses, including expenses of attendance at meetings of organizations concerned with the work of the agency from whose appropriation such expenses are paid, and actual transportation and other necessary expenses, and not to exceed \$10 (unless otherwise specified) per diem in lieu of subsistence, of persons serving while away from their permanent homes or regular places of business in an advisory capacity to or employed by any of such agencies without other compensation from the United States, or at \$1 per annum, as follows:

PAR. 2. Office of the Liaison Officer: For the Office of the Liaison Officer, \$113,000. The Liaison Officer is hereby authorized, in connection with the operations of the constituent agencies of the Office for Emergency Management, to consider, ascertain, adjust, determine, and certify claims against the United States in accordance with the Act of December 28, 1922 (31 U. S. C. 215), and to designate certifying officers in accordance with the Act of December 29, 1941 (Public Law 389).

PAR. 3. Division of Central Administrative Services: For the Division of Central Administrative Services, \$10,800,000: *Provided*, That there may be transferred to this appropriation from appropriations available to the constituent agencies of the Office for Emergency Management and to the Office of Price Administration such amounts as may be necessary for the procurement of supplies, equipment, and services for such agencies and such Administration, and funds so transferred shall be consolidated with and shall be expendable in the same manner as this appropriation: *Provided further*, That the constituent agencies (except the War Shipping Administration) of the Office for Emergency Management and the Office of Price Administration shall not establish, in the District of Columbia or in the field, fiscal, personnel, procurement, space allocation or procurement, duplicating, distribution, communication, or other general services, wherever the Director of the Bureau of the Budget determines that the Division of Central Administrative Services can render any such service.

PAR. 4. Office of Civilian Defense: For the Office of Civilian Defense, including salary of the Director at not to exceed \$10,000 per annum, \$7,447,075.

PAR. 5. Office of the Coordinator of Inter-American Affairs: For the Office of the Coordinator of Inter-American Affairs, \$28,638,000, including \$3,000,000 for payment of obligations incurred under the contract authorization of \$3,000,000 under the head, Office for Emergency Management, in the Second Deficiency Appropriation Act, 1941, and the unobligated portion of said contract authorization is hereby continued in effect until June 30, 1943; employment of aliens; entertainment of officials and others of the other American republics; payment of living allowances to employees with official headquarters located abroad in accordance with the Act of June 26, 1930 (5 U. S. C. 118a), and regulations promulgated thereunder; grants of money or property to governmental and public or private nonprofit institutions and facilities in the United States and the other American republics; the free distribution, donation, or loan of publications, phonograph records, radio transcriptions, art works, motion-picture films, educational material, and such material and equipment as the Coordinator may deem necessary and appropriate to carry out his program; such other gratuitous assistance as the Coordinator deems advisable in the fields of the arts and sciences, education and travel, publications, the radio, the press, and the cinema; paying the expenses of transporting employees of the Office of the Coordinator and their dependents and their effects from their homes to their places of employment in the other American republics, or from their homes in the other American republics to their places of employment, and return or from one official station in the other American republics to another for permanent duty when specifically authorized or approved by the Coordinator under regulations approved by the President; causing corporations to be created under the laws of the District of Columbia, any State of the United States, or any of the other American republics, to assist in carrying out the Coordinator's program and capitalizing such corporations: *Provided*, That corporations heretofore or hereafter created or caused to be created by the Coordinator primarily for operation outside the continental United States shall determine and prescribe the manner in which their obligations shall be incurred and their expenses allowed and paid without regard to the provisions of law regulating the expenditure, accounting for and audit of Government funds, and may, in their discretion, employ and fix the compensation of officers and employees outside the continental limits of the United States without regard to the provisions of law applicable to the employment and compensation of officers and employees of the United States: *Provided further*, That the Coordinator shall transmit to the President immediately upon the close of the fiscal year a complete financial report of the operations of such corporations: *Provided further*, That not to exceed \$500,000 of this appropriation shall be available to meet emergencies of a confidential character to be expended under the direction of the Coordinator, who shall make a certificate of the amount of such expenditure which he may think it advisable not to specify and every such certificate shall be deemed a sufficient voucher for the amount therein certified.

PAR. 6. Office of Defense Health and Welfare Services: For the Office of Defense Health and Welfare Services, \$2,440,000, including not to exceed \$10,000 for the employment of aliens: *Provided*, That

section 3709 of the Revised Statutes shall not be construed to apply to any purchase made by or service rendered for the Office of Defense Health and Welfare Services when the amount involved does not exceed the sum of \$100.

PAR. 7. Office of Defense Transportation: For the Office of Defense Transportation, \$7,216,515.

PAR. 8. National War Labor Board: For the National War Labor Board, \$1,167,000, including salaries at not to exceed \$10,000 per annum each for the four public members of the Board; actual transportation and other necessary expenses, and not to exceed \$25 per diem in lieu of subsistence (whether or not in a travel status) of other members, alternate members and associate members of the Board while serving as such without other compensation from the United States: *Provided*, That funds available to the National War Labor Board for the fiscal year 1942 shall be construed as having been available for the payment of expenses of the Board incurred during said fiscal year in accordance herewith.

PAR. 9. Office of Scientific Research and Development: For the Office of Scientific Research and Development, \$73,000,000, including purchase of reports, documents, plans, and specifications: *Provided*, That there may be paid from this appropriation to the National Academy of Sciences a sum not exceeding \$113,790 for the administrative and overhead expenses incurred by said academy during the fiscal year 1943 in carrying out research projects for Federal agencies and such sum shall be in addition to any reimbursement otherwise provided for. Notwithstanding the provisions of section 3679 of the Revised Statutes (31 U. S. C. 665), the Office of Scientific Research and Development is authorized, in making contracts for the conduct of investigations or experiments, to agree on behalf of the United States to indemnify the contractor from such funds as may be hereafter appropriated for the purpose, against loss or damage to persons or property arising from such work: *Provided further*, That advances of funds may be made in connection with contracts entered into by the Office of Scientific Research and Development without regard to section 3648, Revised Statutes: *Provided further*, That funds available to any agency of the Government for scientific or technical research, development, testing, construction of test models, experimental production, or the provision of facilities therefor, shall be available for transfer with the approval of the head of the agency involved, in whole or in part, to the Office of Scientific Research and Development, and funds so transferred shall be expendable in the same manner as this appropriation.

PAR. 10. War Manpower Commission: For the War Manpower Commission, \$3,114,000, including not to exceed \$10,000 for the employment of aliens: *Provided*, That section 3709 of the Revised Statutes shall not be construed to apply to any purchase made by or service rendered for the War Manpower Commission when the amount involved does not exceed the sum of \$100.

PAR. 11. War Production Board: For the War Production Board, \$68,546,300, including not to exceed \$50,000 for the employment of aliens; not to exceed \$50,000 for the temporary employment of expert witnesses, by contract or otherwise, without regard to the civil-service or classification laws; and not to exceed \$500,000 for scientific research

on materials, material substitutes, and other subjects related to the functions of the Board, without regard to section 3648, Revised Statutes: *Provided*, That funds available for expenses of the War Production Board for the fiscal years 1942 and 1943 may be used for the rental, maintenance, and operation of one airplane.

PAR. 12. War Relocation Authority: For the War Relocation Authority, \$70,000,000, including expenses incident to the extension of the program provided for in Executive order of March 18, 1942, to persons of Japanese ancestry not evacuated from military areas; salary of the Director at not to exceed \$10,000 per annum; the employment of school teachers and not to exceed \$195,000 for the employment of other persons or organizations, by contract or otherwise, without regard to the civil-service and classification laws; employment of aliens; transfer of household goods and effects as provided by the Act of October 10, 1940, including the travel expenses and the transfer of such goods and effects of employees transferred from other Federal agencies to the Authority at its request; purchase, exchange, maintenance, repair, and operation of motor-propelled passenger-carrying and other vehicles and equipment; not to exceed \$75,000 for payments to States or political subdivisions thereof, or other local public taxing units, of sums in lieu of taxes against real property acquired by the Authority for the purposes hereof, or payments for the performance of governmental services required in connection with the administration of the program; the disposal, by public or private sale, of goods or commodities produced or manufactured in the performance of activities hereunder, the proceeds of which shall be deposited in a special fund and thereafter shall remain available until expended for the purposes hereof: *Provided*, That the provisions of the Act of February 15, 1934 (48 Stat. 351), as amended, relating to disability or death compensation and benefits, shall apply to persons receiving from the United States compensation in the form of subsistence, cash advances, or other allowances in accordance with regulations prescribed by the Director of the War Relocation Authority for work performed in connection with such program, including work performed in the War Relocation Work Corps: *Provided further*, That this provision shall not apply in any case coming within the purview of the workmen's compensation laws of any State, Territory, or possession, or in which the claimant has received or is entitled to receive similar benefits for injury or death.

PAR. 13. General provisions: Total, Office for Emergency Management, paragraphs 1 to 12, inclusive, \$272,481,890, to be expended for, or in the administration of the affairs of, the agencies within the Office for Emergency Management, paragraphs 1 to 12, inclusive, hereinafter called the constituent agencies, in accordance, with the following provision:

(a) There may be transferred from any of the foregoing appropriations for the constituent agencies sums to other agencies of the Government for the performance by such other agencies of any of the functions or activities for which these appropriations are made: *Provided*, That no other agency of the Government shall perform work or render services for any of the constituent agencies, whether or not the performance of such work or services involves the transfer of funds or reimbursement of appropriations, unless authority therefor by the Bureau of the Budget shall have been obtained in advance.

(b) The head of any constituent agency may delegate to any official in such agency or in the field offices of the Division of Central Administrative Services the authority to make appointments of personnel and he may also delegate to any official in the agency of which he is the head the authority to make other determinations necessary for the conduct of the administrative management within such agency.

(c) Any employee of any of the constituent agencies is authorized and empowered, when designated for the purpose by the head of such agency, to administer to or take from any person an oath, affirmation, or affidavit, when such instrument is required in connection with the performance of the functions or activities of such agency.

PAR. 14. War Shipping Administration: To increase the War Shipping Administration fund, \$1,100,000,000, which amount, together with other funds heretofore or hereafter made available to such revolving fund, shall be available for carrying on all the activities and functions of the War Shipping Administration, under Executive order of February 7, 1942 (7 F. R. 837), and heretofore or hereafter lawfully vested in such Administration by statute or otherwise, including costs incidental to the acquisition, operation, loading, discharging, and use of vessels transferred for use of any department or agency of the United States, and for all administrative expenses, including the employment and compensation of persons in the District of Columbia and elsewhere, such employment and compensation to be in accordance with laws applicable to the employment and compensation of persons by the United States Maritime Commission except section 201 (b) of the Merchant Marine Act, 1936 (49 Stat. 1935); expenses of attendance, when specifically authorized by the Administrator, at meetings concerned with the work of the Administration; actual transportation and other necessary expenses and not to exceed \$25 per diem in lieu of subsistence of persons serving while away from their permanent homes or regular places of business in an advisory capacity to or employed by the Administration without other compensation from the United States or at \$1 per annum; printing and binding; lawbooks, books of reference, periodicals and newspapers; contract stenographic reporting services; purchase and exchange, maintenance, repair, and operation of passenger-carrying automobiles; transfer of household goods and effects as provided by the Act of October 10, 1940; rent, including heat, light, and power, outside the District of Columbia; allowances for living quarters, including heat, fuel, and light, as authorized by the Act of June 26, 1930; and the employment, on a contract or fee basis, of persons, firms, or corporations for the performance of special services, including accounting, legal, actuarial, and statistical services, without regard to section 3709 of the Revised Statutes: *Provided*. That when vessels are transferred or assigned permanently by the War Shipping Administrator to other departments or agencies of the United States Government for operation by them, funds for the operation, loading, discharging, repairs, and alterations, or other use of such vessels may be transferred from the War Shipping Administration fund to the applicable appropriations of the department or agency concerned in such amounts as may be approved by the Director of the Bureau of the Budget.

OFFICE OF PRICE ADMINISTRATION

Salaries and expenses: For all necessary expenses of the Office of Price Administration in carrying out the provisions of the Emergency Price Control Act of 1942 (Public Law 421), and the provisions of the Act of May 31, 1941 (Public Law 89), as amended by the Second War Powers Act, 1942 (Public Law 507), and all other powers, duties, and functions which may be lawfully delegated to the Office of Price Administration, including personal services in the District of Columbia and elsewhere; expenses of in-service training of employees, including salaries and traveling expenses of instructors; not to exceed \$55,000 for the employment of aliens; not to exceed \$30,000 for the temporary employment of persons or organizations, by contract or otherwise, without regard to section 3709, Revised Statutes, or the civil-service and classification laws; contract stenographic reporting services; witness fees; purchase of lawbooks, books of reference, newspapers, and periodicals; printing and binding; procurement of supplies, equipment, and services, including typewriters, adding machines, and other labor-saving devices and their repair and exchange; maintenance, repair, and operation of passenger-carrying vehicles; transfer of household goods and effects as provided by the Act of October 10, 1940, and traveling expenses, including (1) attendance at meetings of organizations concerned with the work of the Office of Price Administration; (2) actual transportation and other necessary expenses and not to exceed \$10 per diem in lieu of subsistence of persons serving while away from their homes in an advisory capacity without other compensation from the United States, or at \$1 per annum: \$120,000,000, of which amount such sums as may be authorized by the Director of the Bureau of the Budget may be transferred to other departments or agencies of the Government for the performance by them of any of the functions or activities for which this appropriation is made: *Provided*, That no other agency of the Government shall perform work or render services for the Office of Price Administration, whether or not the performance of such work or services involves the transfer of funds or reimbursement of appropriations, unless authority therefor by the Bureau of the Budget shall have been obtained in advance: *Provided further*, That such appropriation of \$120,000,000 shall be so administered during the fiscal year 1943 as to constitute the total amount that will be furnished to such Administration during such fiscal year for the purposes set forth in this paragraph and shall not be augmented by allocations or transfers of funds from any other appropriation: *Provided further*, That no part of this appropriation shall be used for the compensation of any officer, agent, clerk or other employee of the United States who shall divulge or make known in any manner whatever to any person the operations, style of work, or apparatus of any manufacturer or producer visited by him in the discharge of his official duties, or the amount or source of income, profits, losses, expenditures, or any particular thereof, set forth or disclosed in any questionnaire, report, return, or document, required or requested to be filed by order or regulation of the Administrator or to permit any questionnaire, report, return, or document or copy thereof or any book containing any abstract or particulars thereof to be seen or

examined by any person except as provided by law; nor for any person who shall print or publish in any manner whatever, except as hereinafter provided, any questionnaire, report, return, or document or any part thereof or source of income, profits, losses, expenditures, or methods of doing business, appearing in any questionnaire, report, return, or document: *Provided further*, That the foregoing provisions shall not be construed to prevent or prohibit the publication or disclosure of studies, graphs, charts, or other documents of like general character wherein individual statistics or the source thereof is not disclosed or identified directly or indirectly nor to prevent the furnishing in confidence to the War Department, the Navy Department, or the United States Maritime Commission, such data and information as may be requested by them for use in the performance of their official duties: *Provided further*, That no part of this appropriation shall be available for making any subsidy payments: *Provided further*, That no part of this appropriation shall be used to enforce any maximum price or prices on any agricultural commodity or any commodity processed or manufactured in whole or substantial part from any agricultural commodity unless and until (1) the Secretary of Agriculture has determined and published for such agricultural commodity the prices specified in section 3 (a) of the Emergency Price Control Act of 1942; (2) in case of a comparable price for such agricultural commodity, the Secretary of Agriculture has held public hearings and determined and published such comparable price in the manner prescribed by section 3 (b) of said Act; and (3) the Secretary of Agriculture has determined after investigation and proclaimed that the maximum price or prices so established on any such agricultural commodity will reflect to the producer of such agricultural commodity a price in conformity with section 3 (c) of said Act: *Provided further*, That in the case of a maximum price or maximum prices heretofore established the provisions of the foregoing proviso shall not apply until the expiration of sixty days after the date of enactment of this Act.

INDEPENDENT EXECUTIVE AGENCIES

BOARD OF INVESTIGATION AND RESEARCH—TRANSPORTATION

Board of Investigation and Research: For an additional amount for the Board of Investigation and Research, fiscal year 1943, including the objects specified under this head in the Third Supplemental National Defense Appropriation Act, 1942, and including not to exceed \$14,000 for the temporary employment of persons or organizations, by contract or otherwise, without regard to section 3709, Revised Statutes, or the civil service and classification law, \$500,000, which amount shall be added to and merged with the unexpended balance, as of June 30, 1942, of the appropriation under said head; and such total amount shall be so used as to complete the studies, investigations, and reports authorized and required by part I, title III, of the Transportation Act of 1940: *Provided*, That said section 3709, Revised Statutes, shall not apply to any purchase hereunder when the aggregate amount involved does not exceed the sum of \$50.

CIVIL SERVICE COMMISSION

National defense activities: For national defense activities, Civil Service Commission, to be supplemental to the appropriation made for this purpose for the fiscal year 1943, and to be available for the same objects, \$1,147,476: *Provided*, That the limitation upon the amount which may be expended for travel expenses under this head for the fiscal year 1943 is hereby increased to \$912,020.

FEDERAL COMMUNICATIONS COMMISSION

National defense activities: For national defense activities, Federal Communications Commission, to be supplemental to the appropriation made for this purpose for the fiscal year 1943, and to be available for the same objects, \$2,149,876: *Provided*, That the limitation upon the amount which may be expended for travel expenses under this head for the fiscal year 1943 is hereby increased to \$157,340 and the limitation of thirty-six passenger vehicles is hereby increased to forty-nine.

FEDERAL WORKS AGENCY

Public Works Administration: For an additional amount for administrative expenses of the Public Works Administration, fiscal year 1943, including the objects specified under this head in the Independent Offices Appropriation Act, 1943, \$93,160, of the funds appropriated by the Public Works Administration Appropriation Act of 1938.

Public Roads Administration: For flight strips, to be additional to the appropriation under this head in the Third Supplemental National Defense Appropriation Act, 1942, \$5,000,000.

SMALLER WAR PLANTS CORPORATION

Smaller War Plants Corporation: Not to exceed \$7,500,000 of the funds of the Smaller War Plants Corporation acquired in accordance with the Act of June 11, 1942 (Public Law 603), shall be available during the fiscal year 1943 to the Corporation for the payment of the salaries of the directors thereof and for transfer to the War Production Board (hereinafter called the Board) and through the Board to other agencies of the Government, as advances or reimbursement, for or on account of expenditures of the Board or such other agencies for the Corporation in performing the functions prescribed for the Corporation by said Act: *Provided*, That, as determined by the Board, or such officer as may be designated by the Board for the purpose, expenditures (including expenditures for services performed on a force account or contract or fee basis) necessary in acquiring, operating, maintaining, improving, or disposing of real or personal property belonging to the Corporation or in which it has an interest, shall be incurred by the Corporation in accordance with the provisions of said Act, and such expenditures shall not be included within the said limitation of \$7,500,000: *Provided further*, That funds transferred to the Board or to other agencies of the Government as aforesaid shall be merged with funds appropriated to the Board or other agency, as the case may be, and shall acquire the availability for expenditure of the funds to which transferred: *Provided further*,

That no part of said \$7,500,000 shall be obligated or expended unless and until an appropriate appropriation account shall have been established therefor pursuant to an appropriation warrant or a covering warrant, and all such expenses shall be accounted for and audited in accordance with the Budget and Accounting Act, as amended.

DEPARTMENT OF AGRICULTURE

OFFICE OF THE SECRETARY

Office for Agricultural War Relations: For all expenses necessary to enable the Secretary of Agriculture to discharge the functions of the Office for Agricultural War Relations, including personal services in the District of Columbia and elsewhere; the employment of experts without regard to civil-service and classification laws; the purchase of books of reference, periodicals, and newspapers; printing and binding; and the maintenance, repair, and operation of one motor-propelled passenger-carrying vehicle for official purposes in the District of Columbia, \$475,000.

BUREAU OF HOME ECONOMICS

Salaries and expenses: For an additional amount for salaries and expenses, Bureau of Home Economics, fiscal year 1943, including the objects specified under this head in the Department of Agriculture Appropriation Act, 1943, \$20,000.

DEPARTMENT OF COMMERCE

OFFICE OF ADMINISTRATOR OF CIVIL AERONAUTICS

Establishment of air-navigation facilities: For an additional amount for establishment of air-navigation facilities, to be supplemental to the appropriation made for this purpose for the fiscal year 1943 and to be available for the same objects, \$1,218,375.

Maintenance and operation of air-navigation facilities: For an additional amount for maintenance and operation of air-navigation facilities, to be supplemental to the appropriation made for this purpose for the fiscal year 1943 and to be available for the same objects, \$3,647,900.

Technical development: For an additional amount for technical development, to be supplemental to the appropriation made for this purpose for the fiscal year 1943 and to be available for the same objects, \$50,400: *Provided*, That not to exceed \$320 shall be available for the purchase, cleaning, and repair of uniforms for guards.

Washington National Airport: For an additional amount for maintenance and operation, Washington National Airport, to be supplemental to the appropriation made for this purpose for the fiscal year 1943 and to be available for the same objects, \$28,500: *Provided*, That the limitation on the amount which may be expended for the purchase, cleaning, and repair of uniforms for the guards is hereby increased from \$750 to \$1,570.

The appropriation of \$2,700,000 for construction of hangars, and so forth, at the Washington National Airport, contained in the First Supplemental Civil Functions Appropriation Act, 1941, approved

October 9, 1940 (Public Law 812), is continued available until June 30, 1943.

Civilian pilot training: For an additional amount for civilian pilot training, fiscal year 1943, including the objects specified under this head in the Department of Commerce Appropriation Act, 1943, \$36,677,450, and the limitation on the amount which may be transferred to the appropriation "Enforcement of safety regulations, Office of Administrator of Civil Aeronautics", is hereby increased from \$102,000 to \$141,000.

The appropriations "Maintenance and operation of air navigation facilities", Office of Administrator of Civil Aeronautics, and "Salaries and expenses", Weather Bureau, contained in the Department of Commerce Appropriation Act, 1943, shall be available, under regulations to be prescribed by the Secretary of Commerce, for furnishing to employees of the Civil Aeronautics Administration and the Weather Bureau in Alaska free emergency medical services by contract or otherwise and medical supplies, and for the purchase, transportation, and storage of food and other subsistence supplies for resale to such employees, the proceeds from such resales to be credited to the appropriation from which the expenditure for such supplies was made: and appropriations of the Civil Aeronautics Administration and the Weather Bureau contained in said Act, available for travel, shall be available for the travel expenses of appointees of said agencies from the point of engagement in the United States to their posts of duty in Alaska.

DEPARTMENT OF THE INTERIOR

OFFICE OF PETROLEUM COORDINATOR FOR WAR

For all necessary expenses of the Office of Petroleum Coordinator for War in performing its functions as prescribed by the President (Fed. Reg., June 7, 1941), including personal services in the District of Columbia; not to exceed \$500,000 for personal services without regard to the civil service and classification laws; printing and binding; traveling expenses, including attendance at meetings of organizations concerned with the purposes of this appropriation, and actual transportation and other necessary expenses and not to exceed \$10 per diem in lieu of subsistence of persons serving in an advisory capacity to the Coordinator while away from their homes without other compensation from the United States, or at \$1 per annum; contract stenographic reporting services; books of reference, newspapers, and periodicals; office supplies; furniture and equipment, including exchange and repair thereof; purchase, exchange, maintenance, repair, and operation of passenger-carrying automobiles; other miscellaneous services; and transfer of household goods and effects as provided by the Act of October 10, 1940, \$3,365,000: *Provided*, That section 3709, Revised Statutes, shall not apply to any purchase or service rendered under this appropriation when the aggregate amount involved does not exceed \$300.

OFFICE OF SOLID FUELS COORDINATION

For all expenses necessary to enable the Secretary of the Interior through such agencies within the Department of the Interior as he

may designate to perform the functions with respect to Solid Fuels Coordination as prescribed by the President (Fed. Reg., March 10, 1942), including the employment without regard to civil-service and classification laws of an assistant at not to exceed \$10,000 per annum and not to exceed eight technical employees; other personal services in the District of Columbia; printing and binding; traveling expenses, including attendance at meetings of organizations concerned with the purposes of this appropriation, and actual transportation and other necessary expenses and not to exceed \$10 per diem in lieu of subsistence of persons serving, while away from their homes, in an advisory capacity without other compensation from the United States, or at \$1 per annum; contract stenographic reporting services; books of reference, periodicals and newspapers; office supplies; furniture and equipment, including exchange and repair thereof; purchase, exchange, maintenance, repair, and operation of passenger-carrying automobiles; other miscellaneous services; and the acceptance and utilization of voluntary and uncompensated services; \$920,000: *Provided*, That section 3709, Revised Statutes, shall not apply to any purchase or service rendered under this appropriation when the aggregate amount involved does not exceed \$300.

PETROLEUM CONSERVATION DIVISION

For an additional amount for the Petroleum Conservation Division, fiscal year 1943, to be supplemental to the appropriation for this purpose for said fiscal year, and to be available, in addition to the objects and purposes specified for said appropriation, for all expenses necessary to administer the Act of February 22, 1935 (49 Stat. 30), as amended, including contract stenographic reporting services, stationery and office supplies, and the purchase (not to exceed \$5,100), exchange, hire, maintenance, operation, and repair of passenger-carrying automobiles, \$232,000: *Provided*, That the limitation on the amount which may be expended for printing and binding is hereby increased from \$600 to \$3,600, and for books, newspapers, and periodicals, from \$600 to \$700.

BUREAU OF INDIAN AFFAIRS

Payment to Middle Rio Grande Conservancy District, New Mexico: For payment to the Middle Rio Grande Conservancy District, New Mexico, in accordance with the provisions of the Act of February 10, 1942 (Public Law 447, Seventy-seventh Congress), fiscal year 1943, \$22,415.43, to be reimbursed to the United States in accordance with existing law.

BUREAU OF MINES

Enforcement of Federal Explosives Act: For all necessary expenses of the Bureau of Mines in performing the duties imposed upon it by the Federal Explosives Act, including not to exceed \$110,000 for personal services in the District of Columbia; books of reference, periodicals, and newspapers; not to exceed \$11,250 for printing and binding; contract stenographic reporting services; supplies and equipment; traveling expenses, including attendance at meetings of organizations concerned with the purposes of this appropriation; maintenance, repair, and operation of passenger-carrying automobiles;

purchase of special wearing apparel or equipment for the protection of employees while engaged in their work; purchase in the District of Columbia and elsewhere of other items otherwise properly chargeable to the appropriation "Contingent expenses, Department of the Interior"; \$540,000: *Provided*, That section 3709, Revised Statutes, shall not apply to any purchase or service rendered under this appropriation when the aggregate amount involved does not exceed \$300: *Provided further*, That the Secretary of the Interior, through the Director of the Bureau of Mines, is hereby authorized to carry out projects hereunder in cooperation with other departments or agencies of the Federal Government, the District of Columbia, States, Territories, insular possessions, with other organizations or individuals, and with foreign countries and the political subdivisions thereof.

Reduction of zinc concentrates with methane gas (national defense) : For all necessary expenses, without regard to section 3709 of the Revised Statutes, for pilot tests on the reduction of zinc concentrates to metal with methane gas, including laboratory research, maintenance and operation of pilot plant; procurement of necessary material and ores; purchase or lease of land or buildings; construction and equipment of buildings to house pilot plant, including engagement by contract or otherwise, at such rates of compensation as the Secretary of the Interior may determine, of engineers, architects, or firms or corporations thereof necessary therefor; supplies and equipment; traveling expenses; not to exceed \$10,000 for personal services in the District of Columbia; not to exceed \$500 for printing and binding; purchase (not to exceed \$1,850) including exchange, operation, maintenance, and repair of passenger-carrying automobiles; special wearing apparel and equipment for the protection of employees while employed; and the purchase in the District of Columbia and elsewhere of other items otherwise properly chargeable to the appropriation, "Contingent expenses, Department of the Interior"; fiscal year 1943, \$350,000, to remain available until expended: *Provided*, That the Secretary of the Interior is authorized to accept lands, buildings, equipment, and other contributions from public or private sources for the purposes hereof, and to carry out projects in cooperation with other agencies, Federal, State, or private.

NATIONAL PARK SERVICE

Recreational resources of Denison Dam and Reservoir project, Texas and Oklahoma: For the completion of a survey, investigation, and plan for the utilization of the recreational resources of the Denison Dam Reservoir in accordance with the Act approved June 23, 1936 (49 Stat. 1894), fiscal year 1943, \$10,000.

Salaries and expenses, National Capital parks: For an additional amount, fiscal year 1943, including the objects specified under this head in the Interior Department Appropriation Act, 1943 (Public Law 645, Seventy-seventh Congress), \$15,000.

DEPARTMENT OF JUSTICE

FEDERAL BUREAU OF INVESTIGATION

Salaries and expenses, detection and prosecution of crimes (emergency) : For an additional amount for salaries and expenses, during

the national emergency, in the detection and prosecution of crimes against the United States, to be supplemental to the appropriation made for this purpose for the fiscal year 1943 and to be available for the same objects, \$9,200,000, of which amount there may be expended not to exceed \$375,000 for the purchase and exchange of motor-propelled passenger-carrying vehicles; not to exceed \$50,000 to meet unforeseen emergencies of a confidential character, to be expended under the direction of the Attorney General, who shall make a certificate of the amount of such expenditure as he may think it advisable not to specify, and every such certificate shall be deemed a sufficient voucher for the sum therein expressed to have been expended; and not to exceed \$2,810,000 for personal services in the District of Columbia.

MISCELLANEOUS APPROPRIATIONS

Salaries and expenses, Special War Effort Unit: For an additional amount for salaries and expenses, Special War Effort Unit, Department of Justice, fiscal year 1943, to be supplemental to the appropriation made for this purpose for said fiscal year and to be available for the same objects, \$125,000.

POST OFFICE DEPARTMENT

OUT OF THE POSTAL REVENUES

OFFICE OF THE CHIEF INSPECTOR

The paragraph under the head "Clerks, Division Headquarters", appearing in the Post Office Department Appropriation Act, 1943, is amended to read as follows:

"Clerks, division headquarters: For compensation of three hundred and thirty-two clerks at division headquarters and other posts of duty of post-office inspectors, \$780,370."

Salaries: For an additional amount for salaries, Bureau of Accounts, \$8,640.

DEPARTMENT OF STATE

OFFICE OF THE SECRETARY OF STATE

Salaries: For an additional amount for salaries, fiscal year 1943, including the objects specified under this head in the Department of State Appropriation Act, 1943, \$320,000, of which \$40,000 is hereby made available, without regard to civil-service and classification laws, for salaries of members and other employees of the Visa Board of Appeals: *Provided*, That salaries may be paid to the members of the Board at a rate not exceeding \$10,000 per annum.

CONTINGENT EXPENSES (DEPARTMENTAL)

Contingent expenses: For an additional amount for contingent expenses, Department of State, fiscal year 1943, including the objects under this head in the Department of State Appropriation Act, 1943, \$23,000.

FOREIGN INTERCOURSE

Foreign Service, auxiliary (emergency): For an additional amount for Foreign Service, auxiliary (emergency), Department of State, fiscal year 1943, including the objects specified under this head in the Department of State Appropriation Act, 1943, \$1,300,000.

Contingent expenses, Foreign Service: For an additional amount for contingent expenses, Foreign Service, including the objects specified under this head in the Department of State Appropriation Act, 1943; and including also the expenses of the dispatch agency at Miami, Florida; the purchase of not to exceed twenty passenger-carrying automobiles, thirteen of which shall not exceed a cost of \$2,000 each; and the purchase, rental, repair, and operation of micro-film equipment; \$48,000.

CONTRIBUTIONS, QUOTAS, AND SO FORTH

For an additional amount for United States contributions to international commissions, congresses, and bureaus, to enable the United States to become an adhering member of the Inter-American Statistical Institute and to pay its quota contribution as authorized in Public Law 417, approved January 27, 1942, \$29,300.

COOPERATION WITH THE AMERICAN REPUBLICS

Cooperation with the American republics: Not to exceed \$100,000 of the appropriation "Cooperation with the American republics", contained in the Department of State Appropriation Act for 1943, shall be available until June 30, 1944.

TREASURY DEPARTMENT

OFFICE OF THE SECRETARY

Smaller War Plants Corporation, capital stock: To enable the Secretary of the Treasury to make payments for capital stock of the Smaller War Plants Corporation in accordance with the provisions of section 4 (b) of the Act of June 11, 1942 (Public Law 603), \$150,000,000, to remain available until July 1, 1945.

Foreign-owned property control: For all expenses necessary in carrying out the functions of the Secretary of the Treasury under sections 3 and 5 (b) of the Act of October 6, 1917, as amended (50 U. S. C., App. 3), section 301 of the First War Powers Act, 1941, and any proclamations, orders, regulations, or instructions issued thereunder, including personal services (without regard to classification laws), printing, and reimbursement of any other appropriation or other funds of the United States or any agency, instrumentality, Territory, or possession thereof, including the Philippine Islands, and reimbursement of any Federal Reserve bank for printing and other expenditures, \$5,000,000: *Provided*, That \$74,000 of this appropriation shall be transferred to the emergency fund for the President created by the Independent Offices Appropriation Act, 1942, as amended by the Independent Offices Appropriation Act, 1943, in reimbursement of said appropriation on account of the advance therefrom of a like sum for the purposes hereof.

Salaries: For an additional amount for salaries, Office of the Secretary of the Treasury, fiscal year 1943, including the objects specified under this head in the Treasury Department Appropriation Act, 1943, \$134,280.

Reimbursement to District of Columbia, benefit payments to White House Police and Secret Service forces: To enable the Secretary of the Treasury to reimburse the District of Columbia on a monthly basis for benefit payments made from the revenues of the District of Columbia to members of the White House Police force and such members of the United States Secret Service Division as are entitled thereto under the Act of October 14, 1940 (54 Stat. 1118), to the extent that such benefit payments are in excess of the salary deductions of such members credited to said revenues of the District of Columbia during the fiscal year 1943, pursuant to section 12 of the Act of September 1, 1916 (39 Stat. 718), as amended, \$27,000.

DIVISION OF PERSONNEL

Salaries: For an additional amount for salaries, Division of Personnel, \$41,460.

OFFICE OF THE CHIEF CLERK

Salaries: For an additional amount for salaries, office of the Chief Clerk, \$54,920.

CUSTODY OF TREASURY BUILDINGS

Salaries, operating force: For an additional amount for salaries of operating force, \$81,360.

BUREAU OF ACCOUNTS

Salaries and expenses: For an additional amount for salaries and expenses, Bureau of Accounts, fiscal year 1943, including the objects specified under this head in the Treasury Department Appropriation Act, 1943, \$70,000.

BUREAU OF THE PUBLIC DEBT

Expenses of loans: The indefinite appropriation "Expenses of loans, Act of September 24, 1917, as amended and extended" (31 U. S. C. 760, 761), shall not be used during the fiscal year 1943 to supplement the appropriations otherwise provided for the current work of the Bureau of the Public Debt, and the amount obligated under such indefinite appropriation during such fiscal year shall not exceed \$45,000,000 to be expended as the Secretary of the Treasury may direct: *Provided*, That the proviso in the Act of June 16, 1921 (31 U. S. C. 761), limiting the availability of this appropriation for expenses of operations on account of any public debt issue to the close of the fiscal year next following the fiscal year in which such issue was made, shall not apply to savings bond transactions handled by the Federal Reserve banks for account of the Secretary of the Treasury.

BUREAU OF CUSTOMS

Salaries and expenses: For an additional amount for collecting the revenue from customs, fiscal year 1943, including the objects specified under this head in the Treasury Department Appropriation Act, 1943, \$1,116,000.

BUREAU OF INTERNAL REVENUE

Salaries and expenses, collecting the internal revenue: For an additional amount for salaries and expenses, Bureau of Internal Revenue, fiscal year 1943, including the objects specified under this head in the Treasury Department Appropriation Act, 1943, \$652,740; and the limitation contained in such Act on the amount which may be expended for personal services in the District of Columbia is hereby increased from \$10,831,002 to \$10,961,742.

SECRET SERVICE DIVISION

Salaries and expenses: For an additional amount for suppressing counterfeiting and other crimes, fiscal year 1943, including the objects specified under this head in the Treasury Department Appropriation Act, 1943, \$350,500, and the limitation under said head on the number of motor-propelled passenger-carrying vehicles which may be purchased is hereby increased from thirty-five to fifty-five.

WAR DEPARTMENT

MILITARY ACTIVITIES

OFFICE OF SECRETARY OF WAR

For payment to Booz, Fry, Allen and Hamilton, 135 South La Salle Street, Chicago, Illinois, for services rendered the War Department in making a survey of the executive offices of the War Department, \$3,298.47, which payment shall be in addition to the amount paid under Contract Numbered WSW 438, dated October 18, 1941, and authorized under the heading "Salaries, War Department" in the Fifth Supplemental National Defense Appropriation Act, 1941.

TITLE II—GENERAL PROVISIONS

SEC. 201. No part of any appropriation contained in this Act shall be used to pay the salary or wages of any person who advocates, or who is a member of an organization that advocates, the overthrow of the Government of the United States by force or violence: *Provided*, That for the purposes hereof an affidavit shall be considered prima facie evidence that the person making the affidavit does not advocate, and is not a member of an organization that advocates, the overthrow of the Government of the United States by force or violence: *Provided further*, That any person who advocates, or who is a member of an organization that advocates, the overthrow of the Government of the United States by force or violence and accepts employment the salary or wages for which are paid from any appropriation in this Act shall be guilty of a felony and, upon conviction, shall be fined not more than \$1,000 or imprisoned for not more than one year, or both: *Provided further*, That the above penalty clause shall be in addition to, and not in substitution for, any other provisions of existing law.

SEC. 202. No part of any appropriation contained in this Act or authorized hereby to be expended (except as otherwise provided for herein) shall be used to pay the compensation of any officer or employee of the Government of the United States, whose post of duty is in continental United States unless such person is a citizen of the

United States, or a person in the service of the United States on the date of the approval of this Act who being eligible for citizenship had theretofore filed a declaration of intention to become a citizen or who owes allegiance to the United States. This section shall not apply to citizens of the Commonwealth of the Philippines.

SEC. 203. Wherever appropriations in this Act for any Federal agency are available for printing and binding, traveling expenses, and the purchase of motor-propelled passenger-carrying vehicles, the amounts expended for such purposes, respectively, shall not exceed the sums set forth therefor in the justifications of the Budget estimates of appropriations for such agencies submitted to the Committee on Appropriations, House of Representatives, in connection with this Act, except where amounts for such purposes are included for special projects or for transfer to other agencies; and wherever transfers from any such appropriation are made to another Federal agency, other than an agency acting solely in a procurement capacity, the amounts of such transfers expended, respectively, for the foregoing purposes shall not exceed the sums which the Director of the Bureau of the Budget shall approve therefor in connection with each such transfer.

SEC. 204. The Civil Service Commission shall forthwith make an investigation of transfers of employees from one executive agency to another (except to the uniformed forces of the United States) for the purpose of studying the cause and effect of such transfers with a view to ascertaining, among other findings, whether practices exist in connection therewith which are not in the public interest. The results of such investigation and study shall be reported to the President of the United States and to the Congress within sixty days after the date of the enactment of this Act and shall include such recommendations for administrative action or legislative enactment as the Commission may deem advisable.

SEC. 205. The appropriations and authority with respect to appropriations contained herein for the fiscal year 1943 and the appropriations and authority with respect to appropriations contained in the Interior Department Appropriation Act, 1943, and the Act making appropriations for the Department of State, the Department of Justice, the Department of Commerce, and the Federal judiciary, for the fiscal year ending June 30, 1943, and for other purposes, shall be available from and including July 1, 1942, for the purposes respectively provided in such appropriations and authority. All obligations incurred during the period between June 30, 1942, and the respective dates of enactment of this Act and such other appropriation Acts in anticipation of such respective appropriations and authority are hereby ratified and confirmed if in accordance with the terms thereof.

SEC. 206. This Act may be cited as the "First Supplemental National Defense Appropriation Act, 1943".

Approved, July 25, 1942.

